JPX-NIKKEI 400

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FY20/2 Full-Year Corporate Presentation

April 16, 2020

Ichigo (2337)

Ichigo ESG

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We would like to express our deepest condolences to all those across the world affected by the Covid-19 coronavirus pandemic and our wishes for the earliest possible recovery.

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Make The World
More Sustainable

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Ichigo 2030: New Initiatives
- Top Partner of J.League, Japan's Professional Soccer League
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FY20/2 Earnings

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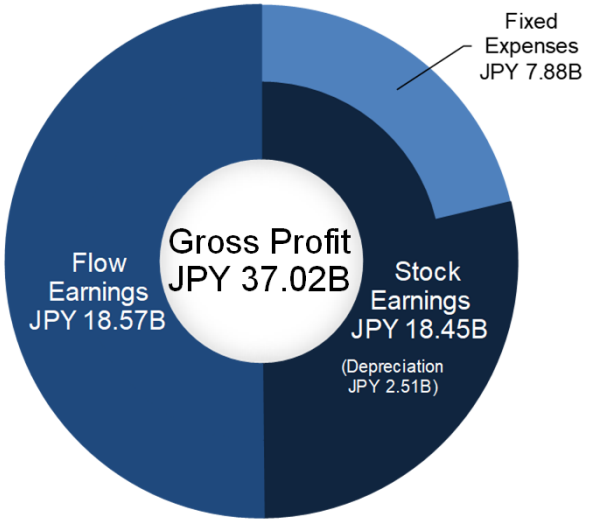
FY20/2 Summary

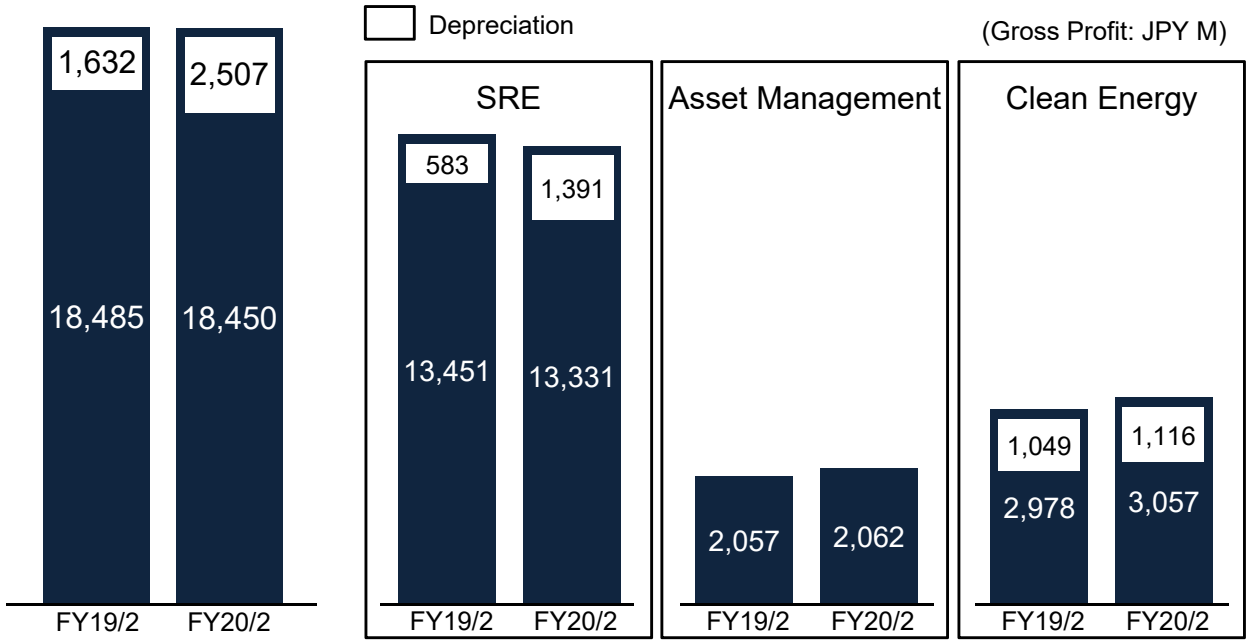
Durable Earnings Model

Stock Earnings/Fixed Expenses

234%



Robust Stock Earnings



SRE: Strong Flow Earnings

– FY20/2 Asset Sales: JPY 60.6B

– Gross Profit: JPY 17.16B (+14% YOY)

Gains on Sales: 2.8X Unrealized Gains

– GPM: 28%

FY20/2 Buyback & Dividend

Share Buyback

– Amount: JPY 3B

– Shares purchased: 7,081,200 (1.4% of shares outstanding)

– Average share price: JPY 424

Progressive Dividend Policy

– Maintain FY20/2 JPY 7 dividend despite Covid-19 impact

Covid-19 Writedown

Systematic review of all assets' current market values

– Wrote down assets impacted by current business conditions, particularly hotels and retail

– Extraordinary Loss: JPY 8.1B (Writedown of Real Estate for Sale: 7.5B)

– Maintain balance sheet integrity & lower future balance sheet risk

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Operating Profit +6%, Net Income +6%, EPS -47% (YOY)

Record-High Operating Profit and Recurring Profit
Extraordinary Loss on Covid-19 Writedown

(JPY million)

	FY19/2	FY20/2	YOY	Full-Year Forecast
Operating Profit	**26,279**	**27,721**	**+5.5%**	**26,500**
Recurring Profit	**23,076**	**24,395**	**+5.7%**	**22,800**
Net Income	**15,373**	**8,201**	**-46.7%**	**15,000**
EPS	**JPY 31.14**	**JPY 16.89**	**-45.8%**	**JPY 30.39**
Dividend	**JPY 7**	**JPY 7**	**—**	**JPY 7**
ROE	**16.3%**	**8.2%**	**—**	**14.4%**
DOE	**3.7%**	**3.4%**	**—**	**—**

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Segment Earnings Details

- Asset Management: Base AM Fees +0.2% YOY
- Sustainable Real Estate: Rental Income -1% YOY
  Gains on Sales +14% YOY
- Clean Energy: Power Generation Revenue +3% YOY

(JPY million)

Segment	Operating Profit					Gross Profit		Earnings Drivers (Parentheses show YOY change in Gross Profit)
	FY19/2	FY20/2	YOY	Full-Year Forecast	vs. Full-Year Forecast	FY19/2	FY20/2	
Asset Management (AM)	**2,195**	**2,526**	**+15.1%**	**1,821**	**138.7%**	**2,437**	**3,046**	Base AM Fees 2,018 (+6) Acquisition/Disposition Fees 878 (+642) Ichigo Office Cash Flow Performance Fees 106 (+48) Ichigo Green Operator Fees 43 (-1)
Sustainable Real Estate (SRE)	**22,669**	**23,971**	**+5.7%**	**23,312**	**102.8%**	**27,761**	**29,521**	Rental Income 11,940* (-927) * Depreciation 1,391 (+807) Gains on Sales 17,158 (+2,265) Gains on Overseas Sales 373 (+373)
Clean Energy (CE)	**1,364**	**1,272**	**-6.7%**	**1,367**	**93.1%**	**1,928**	**1,940**	Power Generation Revenue 1,940* (+11) * Depreciation 1,116 (+67)
Adjustment (including offsets of cross-segment transactions)	**50**	**-49**	**–**	**–**	**–**	**–**	**–**	
Total	**26,279**	**27,721**	**+5.5%**	**26,500**	**104.6%**	**32,126**	**34,509**	

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Powerful Value-Add Business Model Underpins Growth

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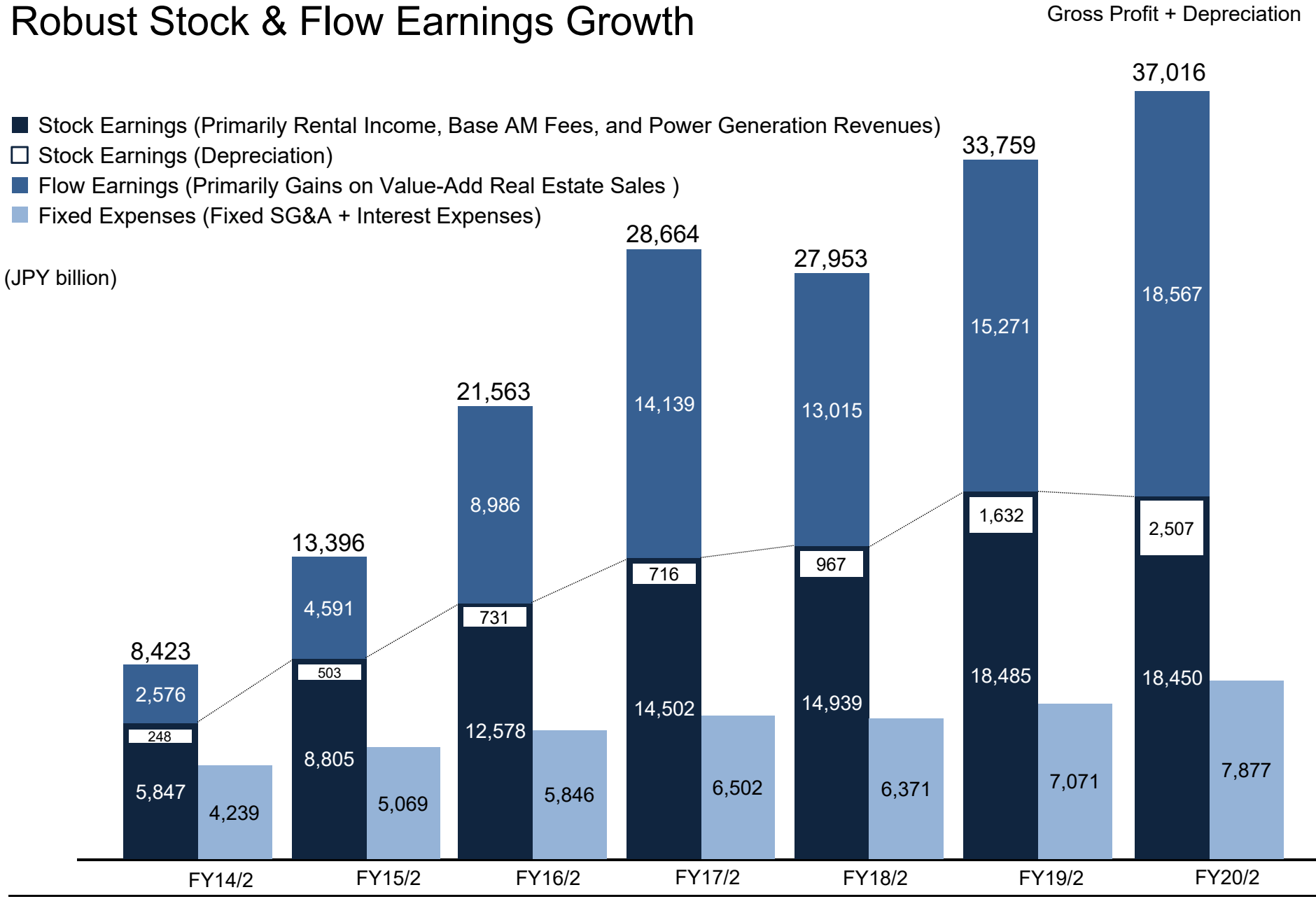
Business Model (1) Stock + Flow Earnings

Robust Stock & Flow Earnings Growth



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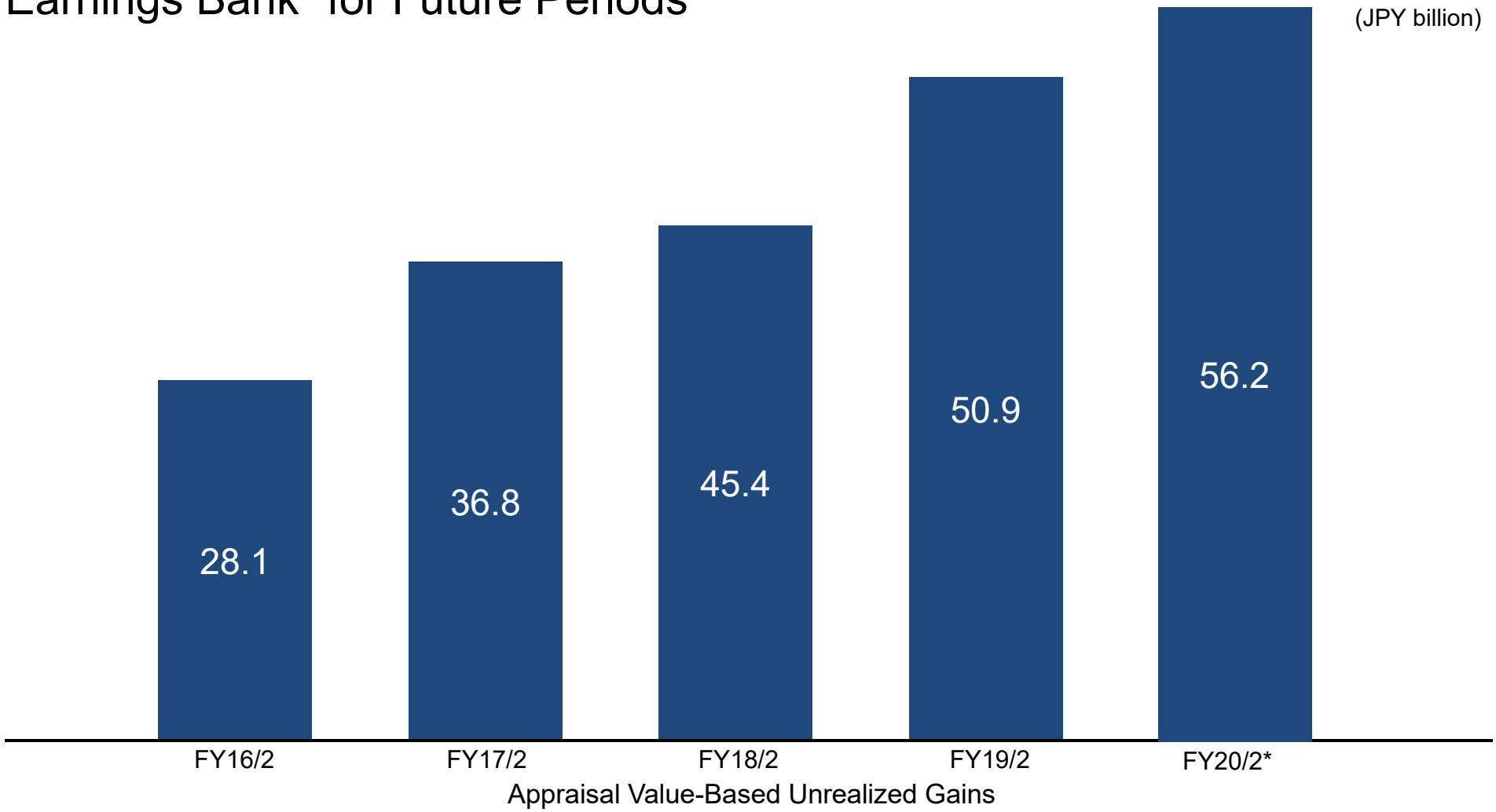
Business Model (2) Embedded Forward Earnings

Full Economic Earnings from Value-Add Exceed Accounting Earnings Value-Add Thus Generates Significant Unrealized Gains that are an “Earnings Bank” for Future Periods



* Covid-19 writedown assets’ unrealized gains of JPY 3B treated as zero value.

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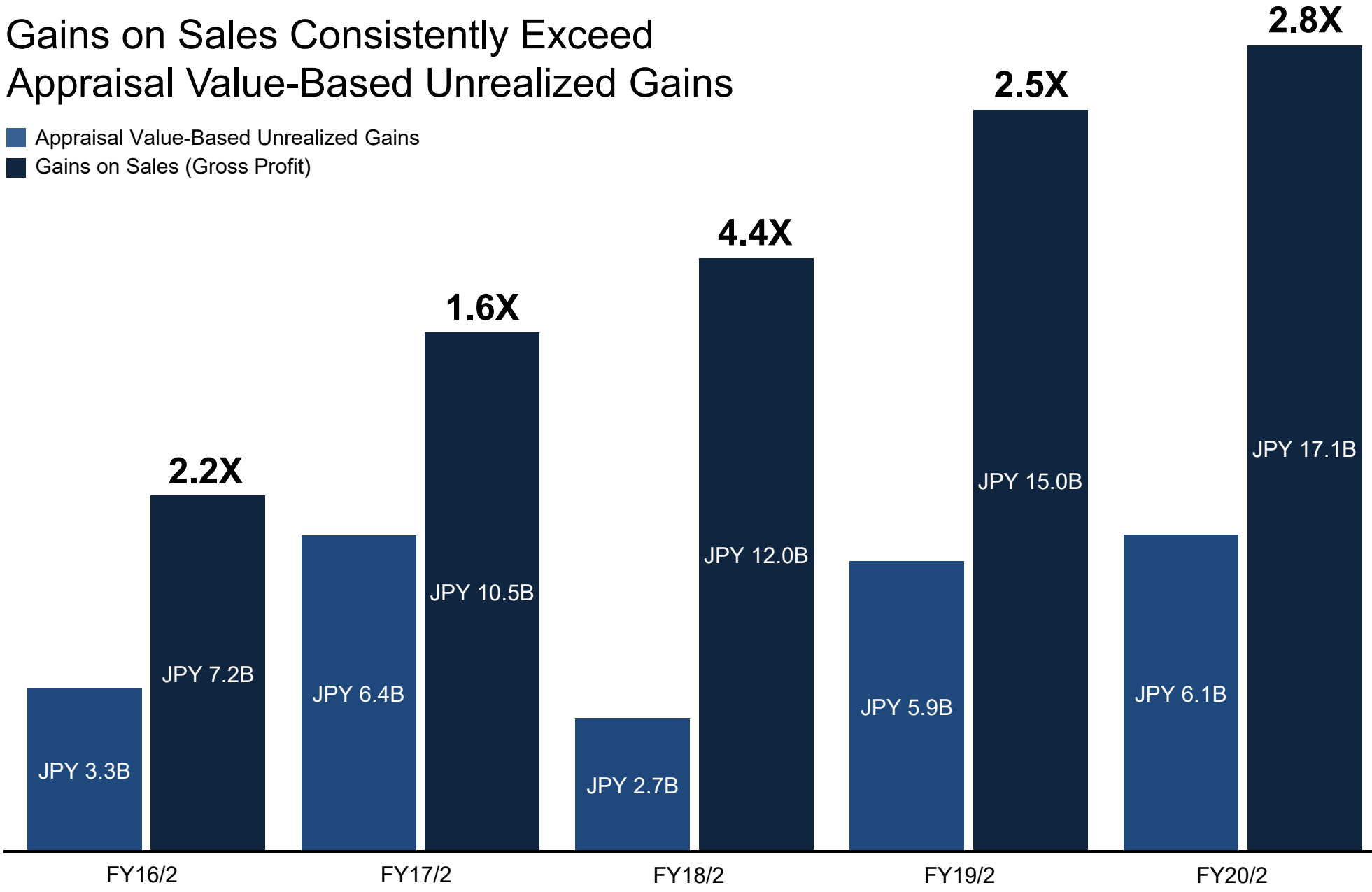
Business Model (3) Value-Add Drives Durable Value Growth

Gains on Sales Consistently Exceed Appraisal Value-Based Unrealized Gains



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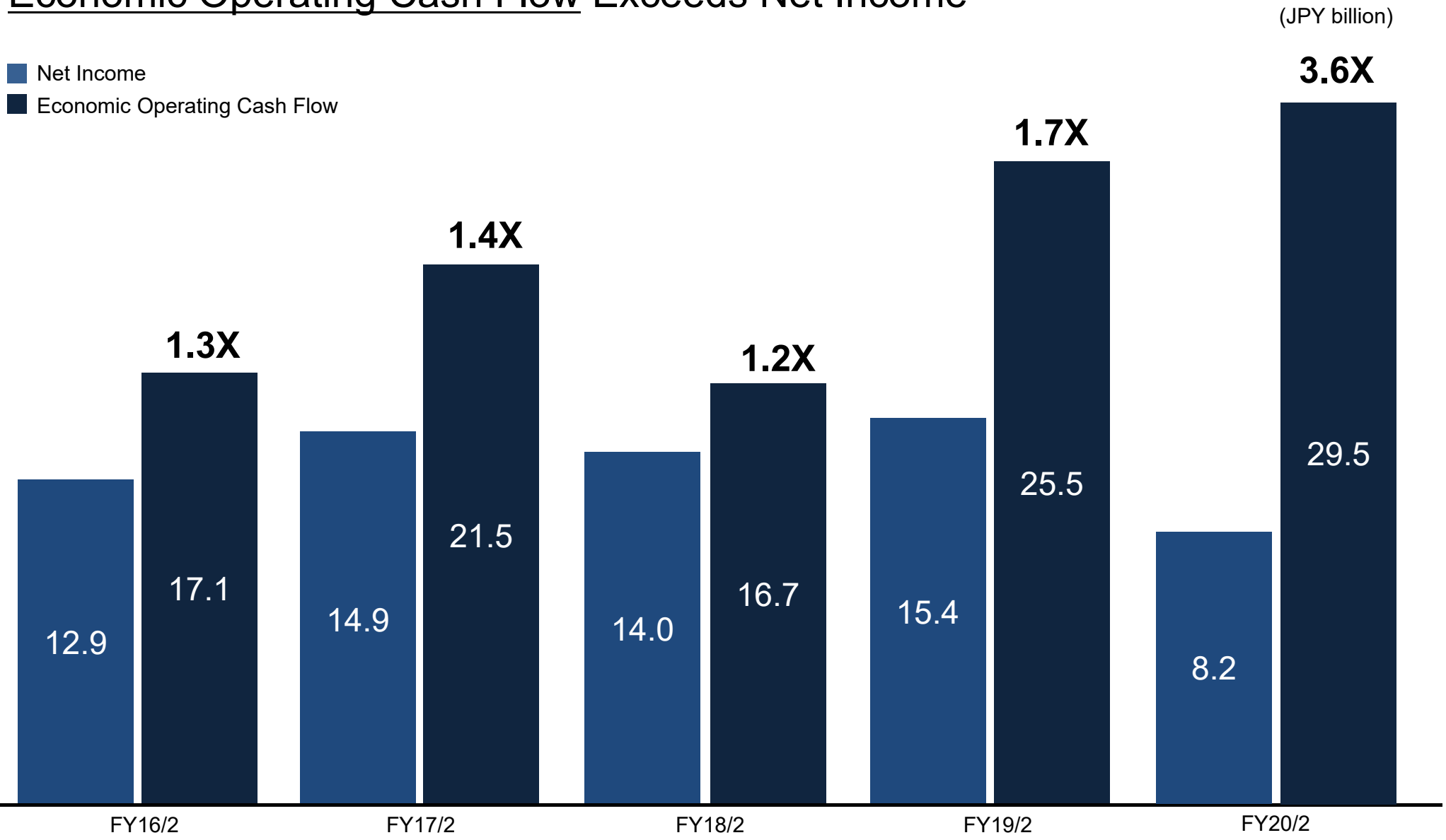
Business Model (4) Robust Cash Generation

Economic Operating Cash Flow Exceeds Net Income



Note: Economic Operating Cash Flow = Cash Flows from Operations excluding net change in Real Estate and Power Plants for Sale

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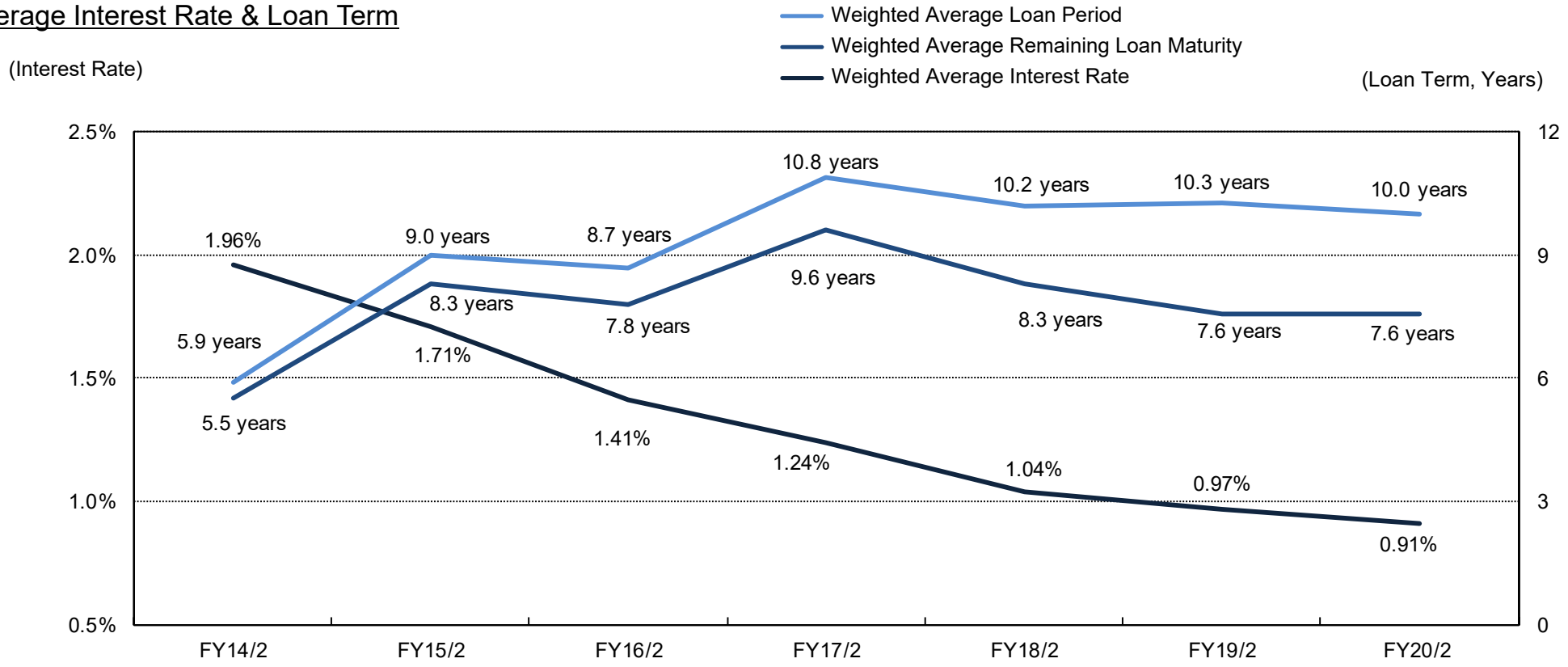
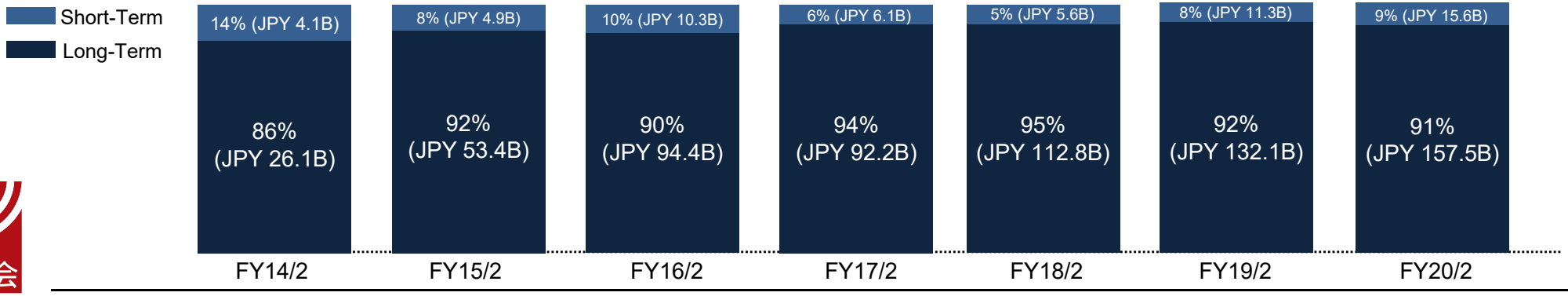
Strong Financial Base

Average Interest Rate & Loan Term



Term Structure of Loans



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Sustainable Growth as a Sustainable Infrastructure Company

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Selective on Acquisitions and Sales

- FY20/2 Continuing Sellers' Market – FY20/2 Cumulative GPM: 28% (FY19/2 GPM 26%)
- Ichigo Owners Continues High Level of Activity
  Acquisitions: JPY 28.52B (45% of total); Sales: JPY 9.31B (15% of total)

FY20/2 Cumulative Net Acquisitions: JPY 2.4B (Market-Value Basis)

(JPY million)

	Acquisitions		Sales		Difference (A) - (B)
	No. of Assets	Book Value (A)	No. of Assets	Sale Price (B)	
Office	3	6,134	5	7,211	-1,077
Hotel	2	12,446	8	18,010	-5,564
Retail	2	8,550	3	8,432	+118
Residential	37	31,330	40	26,477	+4,853
Logistics	1	2,374	—	—	+2,374
Ground Lease	2	255	2	241	+14
Other	11	1,957	1	231	+1,726
Total	**58**	**63,048**	**59**	**60,601**	**+2,447**

Note: Book value of asset sales is JPY 42,771 million

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Growth Support for TSE REITs & YieldCo

Office

Ichigo Office (8975)

IPO
October 12, 2005

Portfolio
86 Assets JPY 204.7B

Dividend Yield (as of 2020/4/14)
6.3%

- Entered FTSE Global REIT Index, a key benchmark for global investors
- Driving organic NOI growth via offering of tailored services and office spaces, drawing upon Ichigo's value-add capabilities
  e.g., Ichigo Nogizaka Building: Forecast ROI 26.5%




Ichigo Growth Support

Provided a high-quality Hakata office asset

Hotel

Ichigo Hotel (3463)

IPO
November 30, 2015

Portfolio
23 Hotels JPY 51.9B

Dividend Yield (as of 2020/4/14)
7.8%

- Sold a hotel in Kyoto at 1.3x book value and a hotel in Naha at 1.4x book value to diversify the portfolio and fund new growth acquisitions
- Acquired Valie Hotel Hiroshima, a hotel with value-add upside and potential for future rebranding




Ichigo Growth Support

Provided a hotel in prime location to drive NOI growth and diversify portfolio

Green Infrastructure

Ichigo Green (9282)

IPO
December 1, 2016

Portfolio
15 Plants JPY 11.4B

Dividend Yield (as of 2020/4/14)
5.9%

- Solar YieldCo focused on driving shareholder value via income stability and earnings growth and contributing to Japan's self-sufficiency in clean energy
- Portfolio of robust assets that have suffered no injuries or damages from natural disasters




Ichigo Growth Support

Operating all plants and providing ongoing performance guarantee

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Scaling Rapidly (In-Development Plants +66%)

5 New Plants (Total 23.21MW) Began Operation in FY20/2

– Kanto area (12.02 MW), Chubu area (4.57MW)

– Kansai area (6.61MW)

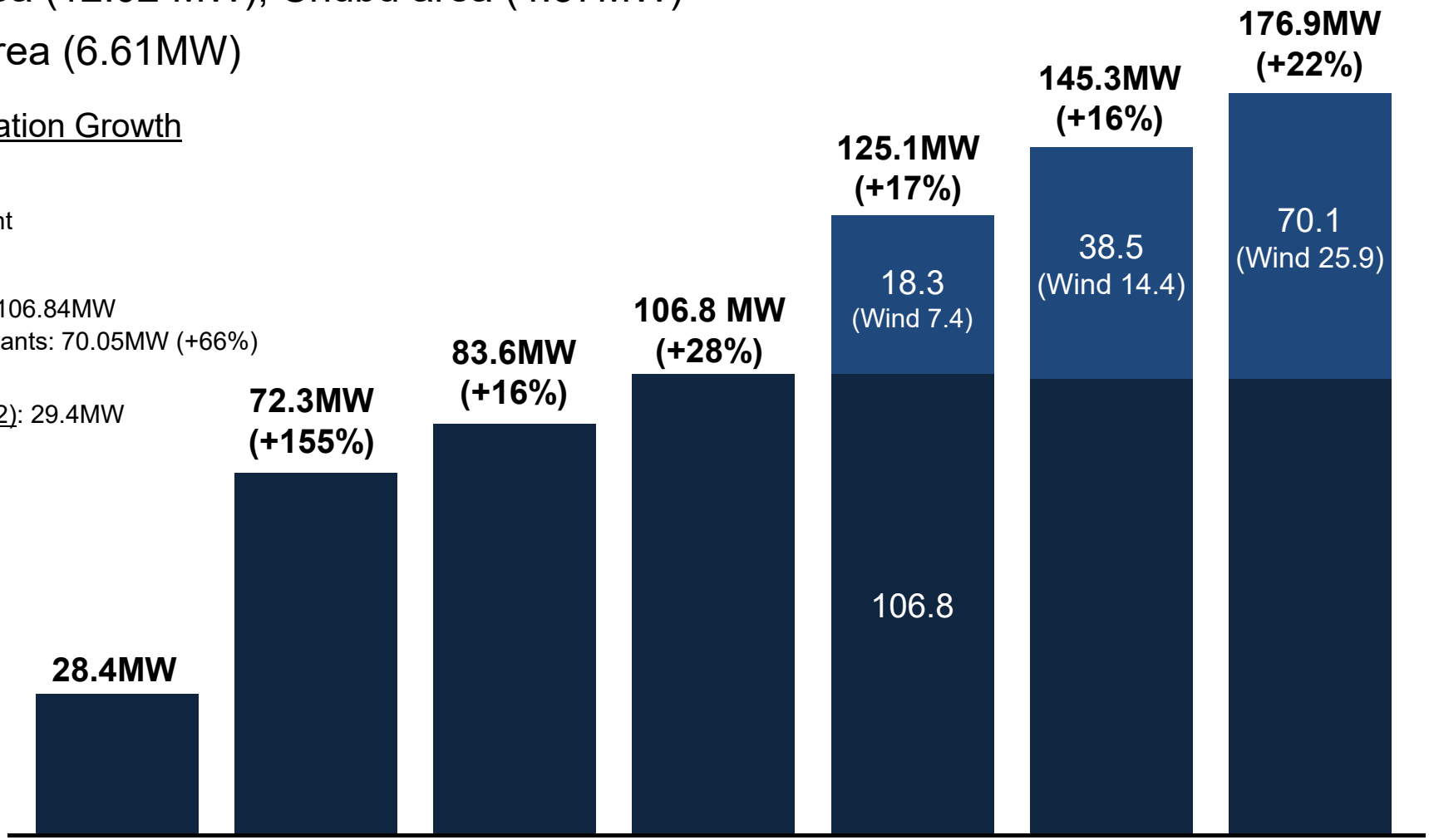
Power Generation Growth

Operating

In-Development

Ichigo
Operating Plants: 106.84MW
In-Development Plants: 70.05MW (+66%)
Total: 176.90MW

Ichigo Green (9282): 29.4MW



	FY17/2	FY18/2	FY19/2	FY20/2	FY21/2	FY22/2	FY23/2 ~
Avg FIT	JPY 37.3	JPY 36.4	JPY 35.3	JPY 34.3	JPY 32.5	JPY 30.9	JPY 30.6
Ichigo Investment	JPY 8.4B	JPY 21.1B	JPY 23.6B	JPY 30.0B	JPY 35.8B	JPY 41.5B	JPY 52.0B

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New Plants Driving Growth

Total 5 New Plants (23.21MW) Online in FY20/2 (1.3X MW Growth YOY, 83.6MW → 106.8MW)

New FY20/2 Plants Will Drive FY21/2 Stock Earnings Growth

	Solar Power Plant	FIT (JPY)	Panel Output (MW)	Total Panel Output (MW)	Operation Start Date
FY18/2	Ichigo Sera Aomizu	32	2.87	47.54	Aug 11, 2017
	Ichigo Showamura Ogose	36	43.34		Sep 2, 2017
	Ichigo Memuro Nishi-Shikari	40	1.32		Feb 5, 2018
FY19/2	Ichigo Kure Yasuuracho Nakahata	36	2.90	11.28	Mar 2, 2018
	Ichigo Tsu	24	2.94		Mar 6, 2018
	Ichigo Kasaoka Iwanoike	24	2.64		Mar 20, 2018
	Ichigo Toki Tsurusatocho Kakino	24	1.31		Apr 12, 2018
	Ichigo Itoshima Iwara	36	1.48		Jan 7, 2019
FY20/2	Ichigo Sakahogi Fukagaya	21	2.89	23.21	May 17, 2019
	Ichigo Sennan Kitsuneike	21	2.86		Jul 4, 2019
	Ichigo Minakami Aramaki	36	12.02		Jan 2, 2020
	Ichigo Takashima Kutsuki	32	3.74		Jan 2, 2020
	Ichigo Toki Tsurusatocho Kakino Higashi	21	1.67		Feb 12, 2020

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Launch of Ichigo J.League Shareholder Program

Represents Two Firsts for a Shareholder Program in Japan

- Ichigo is the first Japanese company to include not just its own shareholders, but also the shareholders of the REITs and YieldCo that it manages, in its shareholder program
- Ichigo is the first company to offer shareholders free tickets to every J.League game at every J.League club (56 clubs in total)

Ichigo is deepening its partnership with the J.League and working to further Ichigo's mission of promoting local community developments.



Ichigo J.League Shareholder Program Website Landing Page

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Share Buybacks

Purpose: Grow Value for Ichigo's Shareholders

FY20/2

Number of Shares	7,081,200 (1.4% of shares outstanding)
Average Share Price	JPY 424
Amount	JPY 3B

FY19/2

Number of Shares	7,869,700 (1.6% of shares outstanding)
Average Share Price	JPY 381
Amount	JPY 3B

FY18/2

Number of Shares	8,436,500 (1.7% of shares outstanding)
Average Share Price	JPY 355
Amount	JPY 3B

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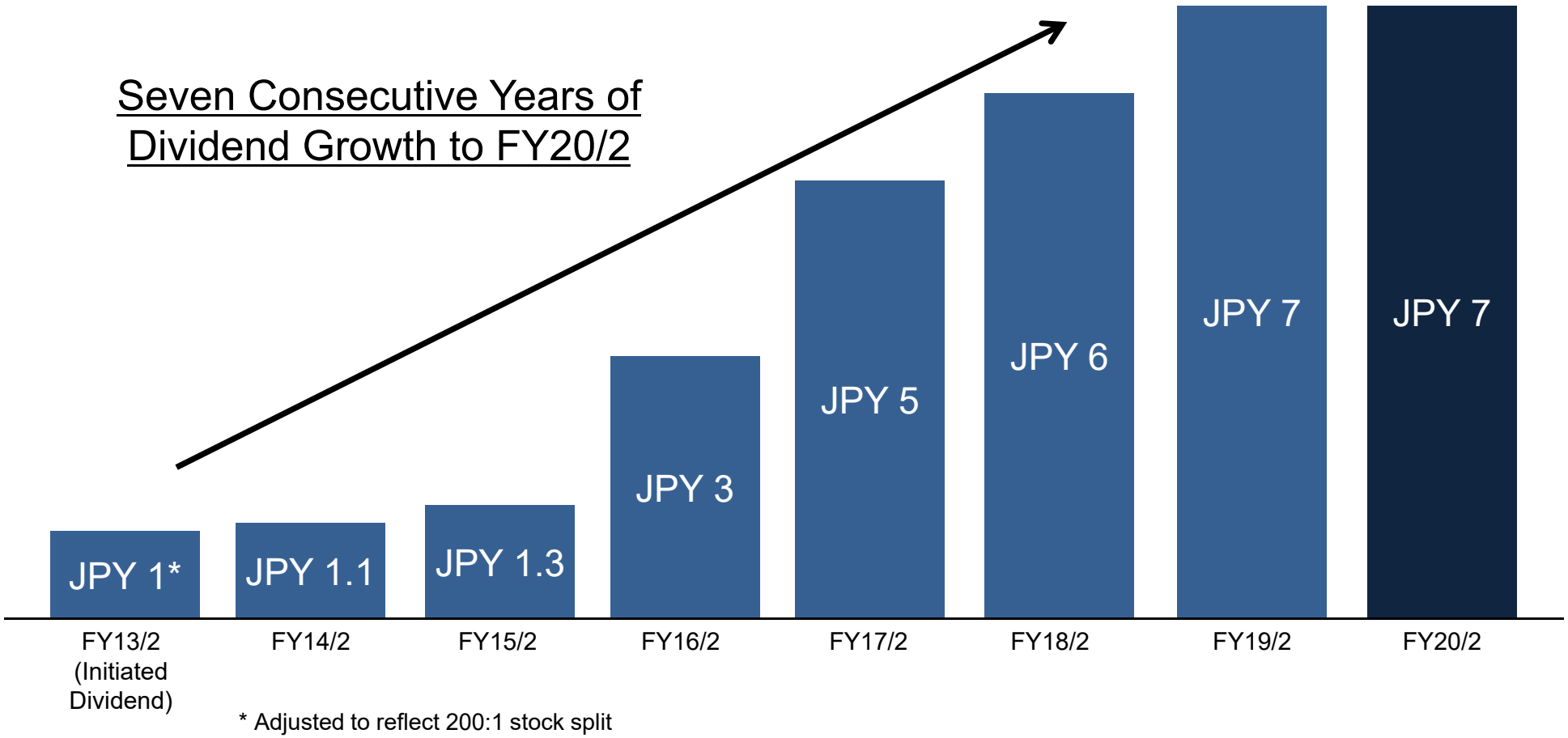
Progressive Dividend

Progressive Dividend Policy (Maintain or Raise)

FY20/2 Dividend Maintained Despite Covid-19



* Adjusted to reflect 200:1 stock split

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Durable & Adaptive Growth Strategy

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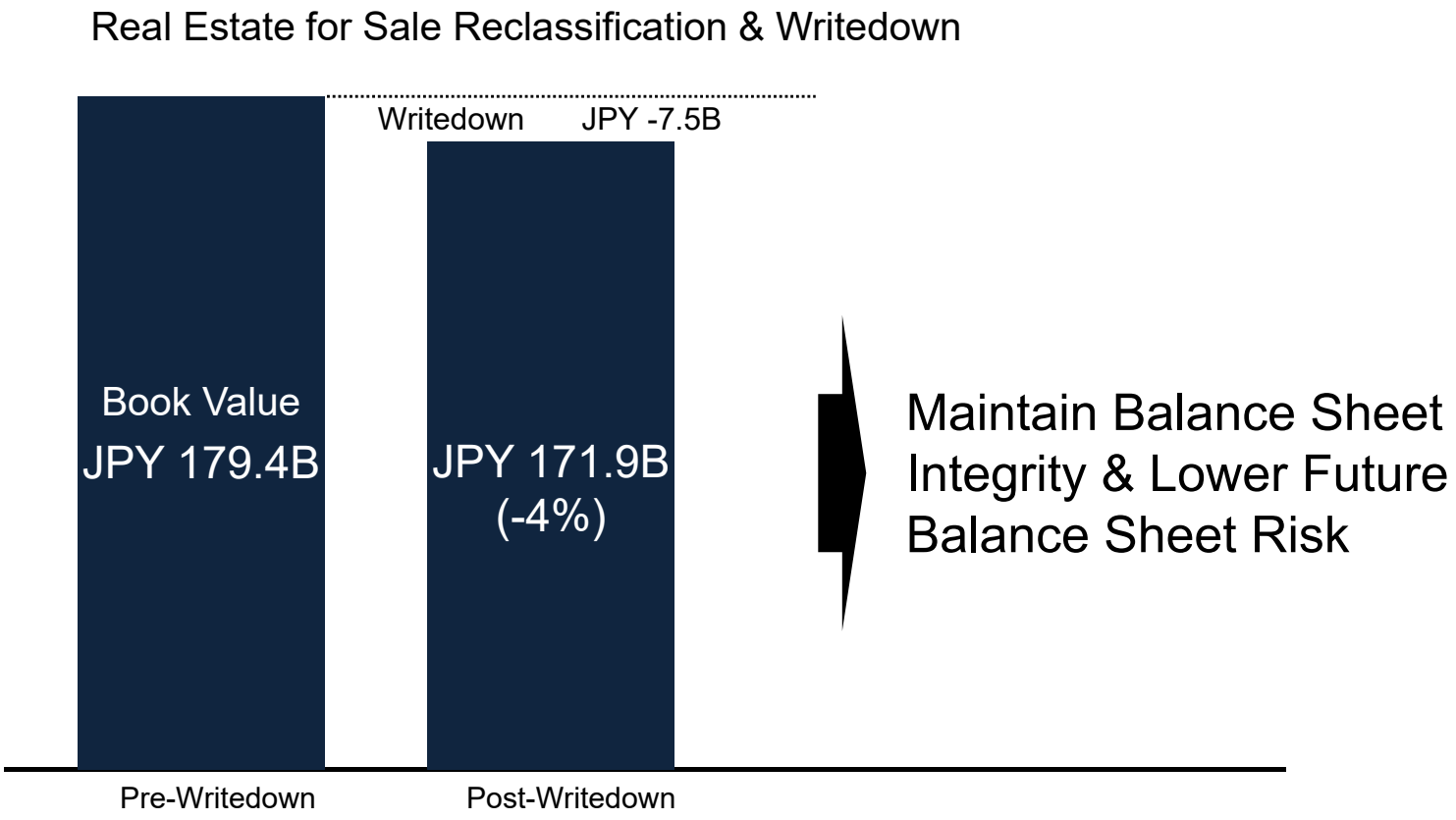
High-Integrity Balance Sheet

Systemic review of all assets' current market values and writedown of assets impacted by current market conditions, particularly hotels & retail

FY20/2 reclassification of Real Estate for Sale assets to Fixed Assets to increase tax efficiency & cash generation via taking depreciation allowance



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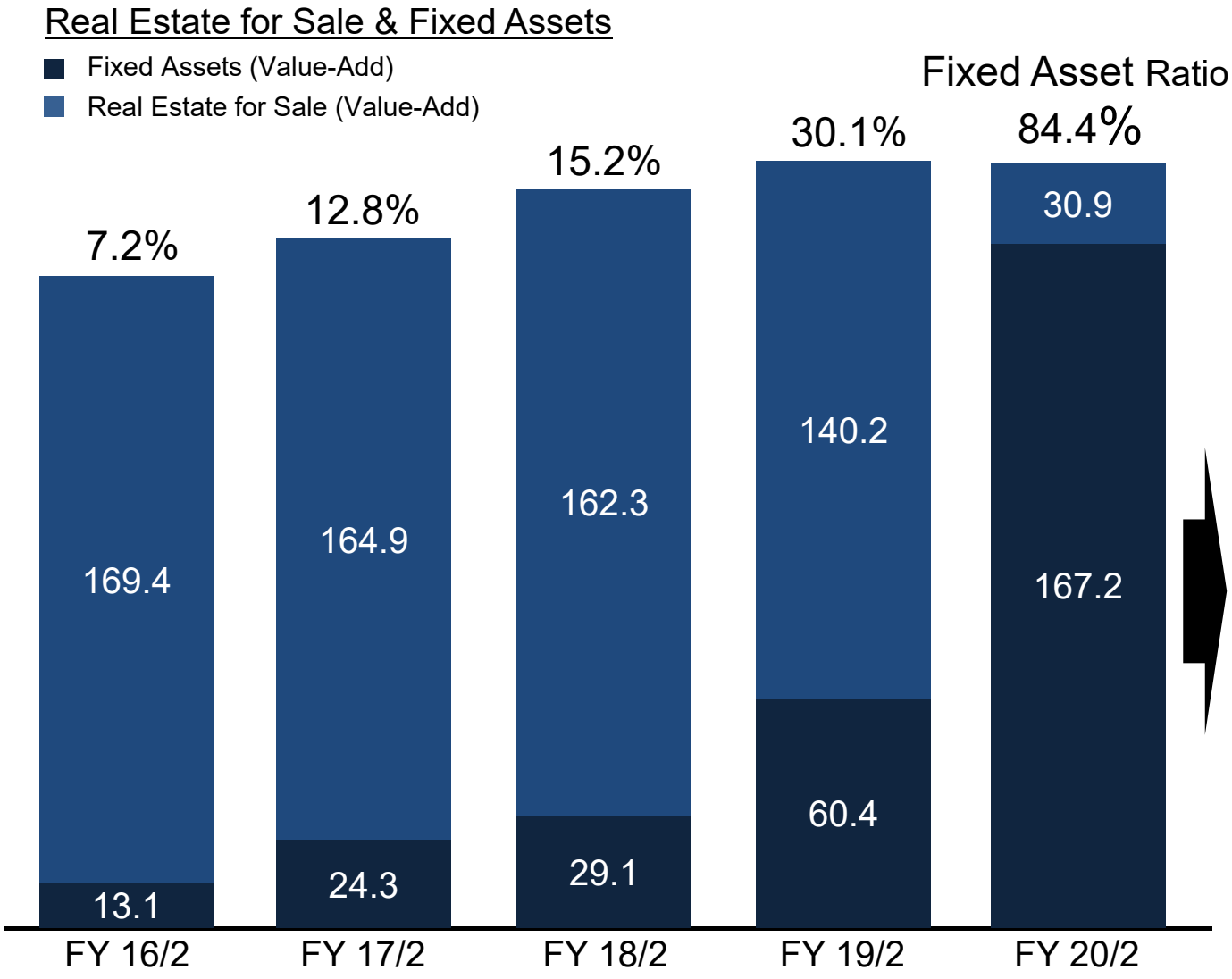
Cash Flow Maximization

Reclassification of Sustainable Real Estate Assets to Fixed Assets



Maximal use of depreciation allowances lowers accounting EPS & ROE, but creates value by being cash-generative to fund growth investments

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Conservative Financing

Prudent management to minimize risks

Actions	Outcomes
Lower Borrowing Costs	**0.91%** (weighted avg. interest rate)
Lengthen Loan maturities	**10.0 years** (weighted avg. loan maturity)
Increase Uncollateralized Loans	**25.6%** (% of total loans uncollateralized) **JPY 20B** (current 10-year & 11-year uncollateralized commitment lines)
Diversify Loan Maturities	Loan Maturities as % of Total Loan Value - **<1 year 9.0%** - **1-2 years 3.3%** - **2-3 years 3.5%** - **>3 years 84.2%**

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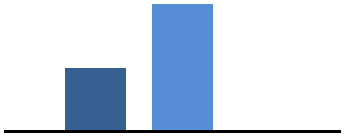
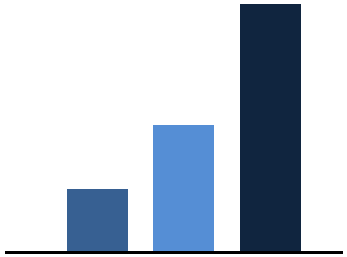
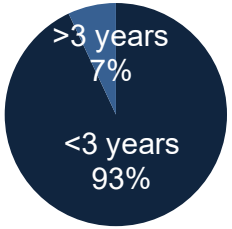
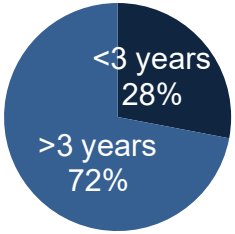
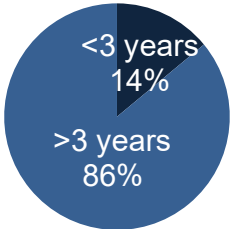
Post-GFC Shift in Earnings Base & Financial Position

	FY09/2 GFC	FY14/2 Start of Shift Up MTP	FY20/2	vs. GFC
Stock Earnings/ Fixed Expenses Coverage Ratio	75%	140%	234%	3.1X
Loan Maturity (Weighted avg., corp + non-recourse)	2.8 years 	5.6 years 	10.3 years 	3.7X
<3 Year Loans	93% 	28% 	14% 	-79%
Interest Cost (Weighted avg, corp + non-recourse)	2.22%	1.96%	0.91%	-59%

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FY21/2 Full-Year Forecast

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FY21/2 Forecast

Given Covid-19 uncertainty, forecasting with a range, taking a conservative view on the bottom of the range

(JPY)

	FY21/2 (Forecast)	FY20/2 (Actual)
Operating Profit	**6.2B – 12.9B**	**27.7B**
Recurring Profit	**3.4B – 10.4B**	**24.4B**
Net Income	**2.0B – 8.0B**	**8.2B**
EPS	**4.15 – 16.60**	**16.89**
Dividend	**TBD**	**7**
ROE	**2.0% – 7.7%**	**8.2%**

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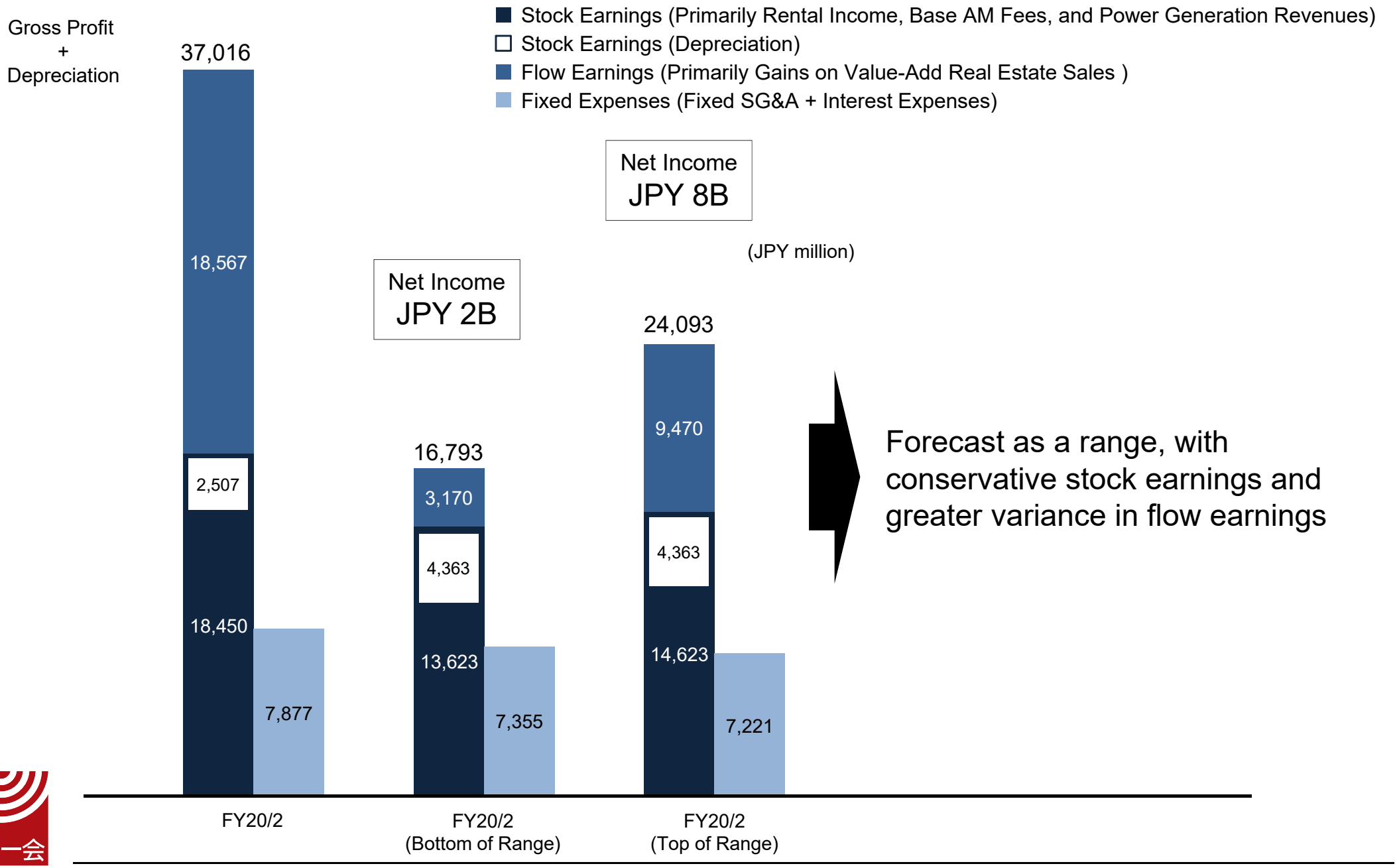
FY21/2 Forecast Stock + Flow Earnings



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FY21/2 Forecast Segment Details

- AM: Conservatively Forecast Stock & Flow AM Fees
- SRE: Gains on Sales range biggest swing factor
- CE: Growth on plan, unaffected by Covid-19

(JPY)

	Operating Profit	
	FY21/2 (Forecast)	FY20/2 (Actual)
Asset Management (AM)	c. 1.1B	2.5B
Sustainable Real Estate (SRE)	3.3B – 10.0B	24.0B
Clean Energy (CE)	c. 1.8B	1.3B
Sum	6.2B – 12.9B	27.7B
Adjustment (including offsets of cross-segment transactions)	–	-49M
Total	6.2B – 12.9B	27.7B

Note: Forecast assumes no Ichigo Office (8975), Ichigo Hotel (3463), or Ichigo Green (9282) public offerings.

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Appendix: Ichigo’s Sustainability Commitment (ESG)

Ichigo
ESG



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Ichigo Sustainability Policy

Harmony with the Environment

Ichigo actively monitors and minimizes the environmental impact of its business operations.

Energy Conservation, CO2 Reduction, and Recycling

Ichigo seeks to contribute to a low-carbon, low-waste society by reducing energy consumption, extending the useful life of assets, actively recycling, reducing waste production and water consumption, and implementing green procurement measures.

Regulatory and Environmental Compliance

Ichigo complies with all environmental laws and regulations and Ichigo's own independently established environmental rules. Ichigo also carefully monitors and complies with all applicable changes in laws and regulations.

Training and Awareness

Ichigo promotes understanding of its Sustainability Policy and works to increase sustainability awareness among all Ichigo employees.

Sustainability Performance Communication and Disclosure

Ichigo communicates its Sustainability Policy and Ichigo's sustainability initiatives to society at large. Ichigo also obtains certifications for its sustainability activities on an ongoing basis.

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Ichigo ESG – Environmental

Sustainable Real Estate

Preserve & Enhance Existing Buildings to End Wasteful Demolish & Rebuild

– Lengthen useful life of existing real estate

– Shrink footprint by reducing demolition waste and use of raw materials, energy, and human effort for construction

Demolish

Lowest Impact

Highest Efficiency

Solar and Wind Energy: Safe and Clean

Annual Power Generation
147,296,453 kWh

Equivalent to annual energy consumption of 49,100 households

The Federation of Electric Power Companies of Japan
Annual energy consumption per household 3,000kWh

Annual CO2 Reduction
97,215,656 kg

Equivalent to annual CO2 emission of 42,300 cars

Ministry of Environment
Annual CO2 emission per car c. 2,300kg

(FY20/2 Actuals – Includes Ichigo Green)

Ichigo ESG

Environmental

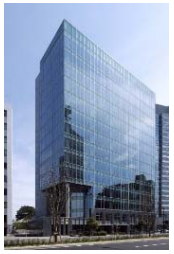
Environmental Certifications

No injuries or damages at any Ichigo asset or power plant from recent natural disasters

Robust Assets
- Real estate: continuous improvements to safety & functionality via value-add capex
- Power plants: site selection and construction based on detailed specifications customized to local geography

Robust BCP & Realtime Response
- Pre-typhoon preventative measures (water shielding, sandbags, etc.) & on-site checks
- Overwhelming priority is safety of tenants: on-the-ground confirmation & on-the-ground response
- Ichigo engineering team immediate response: same day on-site safety and engineering inspections to prevent secondary damage and losses

Environmental Certifications



Ichigo Kakyoin Building

CASBEE Rank

S



Ichigo Hakata Ekimae Square

CASBEE Rank

A



Ichigo Hakata Meiji Dori Building

CASBEE Rank

A

Ichigo Office (8975)

GRESB 2019

Green Star (Highest Ranking)
3 years in a row

Other Certifications:
CASBEE, BELS, DBJ Green Building Certification

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Ichigo ESG – Social

Sports & Arts

Support Outstanding, World-Class Athletes

– Weightlifting
– Riflery
– Track & Field

Paralym Art Sponsor

– Support artists with disabilities



Weightlifting Athlete Hiromi Miyake

Children's Cancer Treatment

Support University of Miyazaki Faculty of Medicine's Program for Children with Cancer

– Issued CSR bond & donated a portion of underwriter commission to the Cancer Program
– Sponsor volunteer activities in support of children with cancer

Ichigo ESG

Social

Local Communities

Promote Community Development via Sponsorship of J.League (Only Top Partner with Real Estate Expertise)

– Renovate and upgrade stadiums and help local governments reduce steep operating and maintenance costs
– Use real estate expertise to help build stronger and healthier local communities

J.LEAGUE | 一期一会 ICHIGO Ichigo
TOP PARTNER

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Strengthen Local Communities, Create Jobs, and Boost Rural Economies via Smart Agriculture

– Collaborate with local farmers to increase agricultural output, improve quality, and raise rural incomes
– Increase Japan's food self-sufficiency







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Ichigo ESG – Governance

Early Adopter of Independent Three Committee (Nominating, Audit, & Compensation) Corporate Governance Structure

- Adopted in 2006 to incorporate global best practice
- Exceeded legal requirements by establishing Compliance Committee in addition to Nominating, Audit, and Compensation Committees

✓ Nominating Committee: 5 members (3 Independent Directors)
✓ Audit Committee: 3 members (All Independent Directors)
✓ Compensation Committee: 5 members (3 Independent Directors)
✓ Compliance Committee: 4 members (2 Independent Directors)

Ichigo ESG Governance

Majority Independent Director Board Underpins Strong Governance

- Of 9 members of Ichigo's Board of Directors, 5 are Independent Directors
- Includes former CEOs of TSE First Section companies

Since FY20/2 (current)
✓ Masatoshi Matsuzaki (former CEO of Konica Minolta)
✓ Nobuhide Nakaido (former CEO of SCSK)

Stepped down after FY18/2
✓ Takashi Kawamura (former CEO of Hitachi; stepped down from Ichigo's board in May 2017 upon appointment as Chairman of TEPCO)
✓ Kosuke Nishimoto (former CEO of Meitec; stepped down from Ichigo's board in May 2019 upon appointment as EVP of Misumi Group)

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Appendix: Financial & Real Estate Data

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Significant Unrealized Gains on Balance Sheet

JPY 53B (Appraisal Value Basis), +6.8% vs. FY19/2-end

Real Estate Directly Held by Ichigo

(JPY million)

Location	Book Value as of February 29, 2020 (A)	Appraisal NOI (B)	Cap Rate (A)/(B)	Appraisal Value (C)	Unrealized Gains (C) - (A)
Tokyo	94,372	5,374	5.7%	126,607	+32,235
Outside Tokyo	100,758	6,723	6.7%	121,593	+20,835
Total	195,130	12,097	6.2%	248,200	+53,070

Notes: Excludes Ichigo Owners, Centro, and self-storage assets (book value JPY 46.4B)
FY20/2 Unrealized Gains recorded as zero

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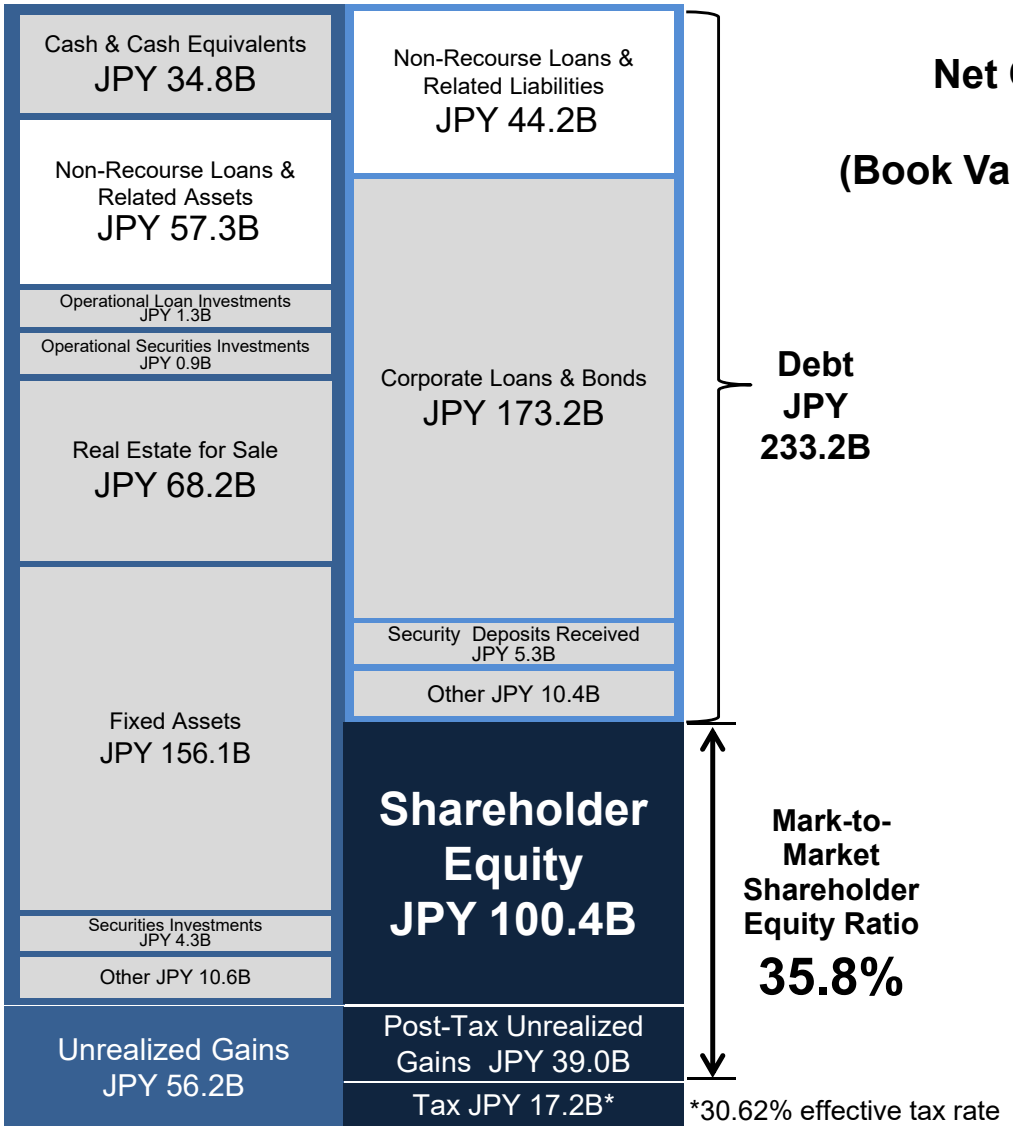
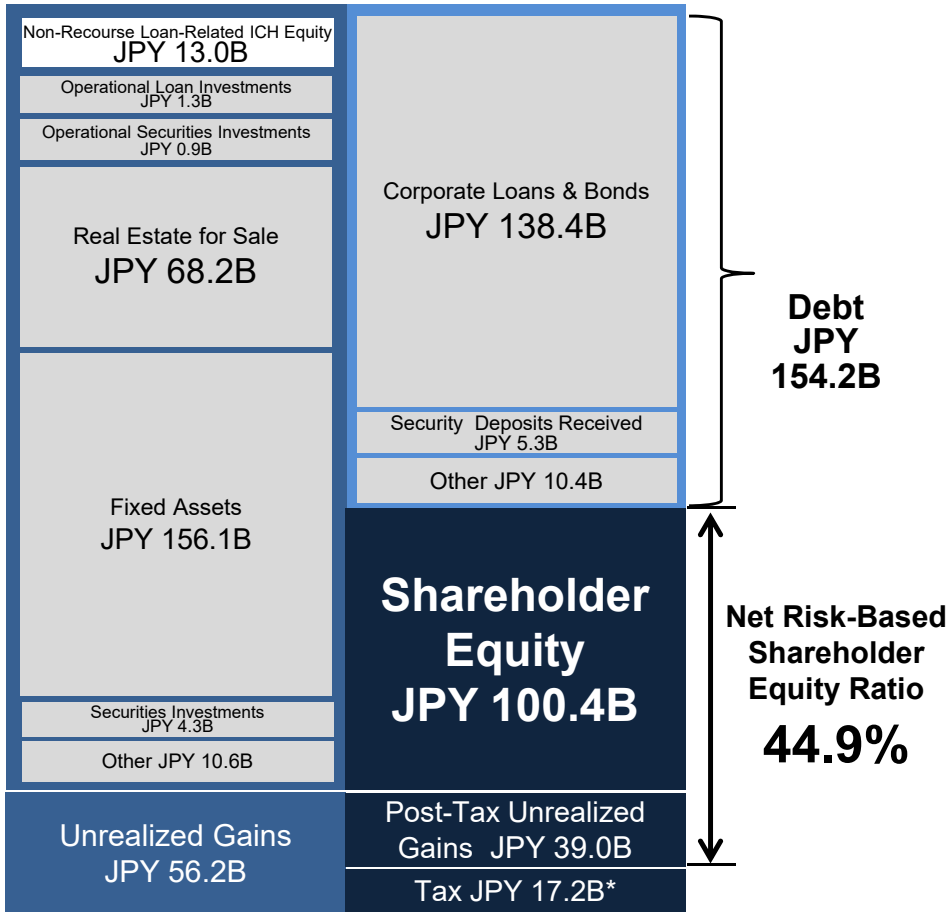
Net Consolidated Risk-Based Balance Sheet

Mark-to-Market Consolidated Balance Sheet: JPY 389.9B
(Book Value JPY 333.7B + Unrealized Gains JPY 56.2B)



Net Consolidated Risk-Based Balance Sheet:
JPY 310.9B
(Book Value JPY 254.6B + Unrealized Gains JPY 56.2B)



Note: Net Risk-Based Balance Sheet excludes client and non-recourse assets and liabilities and nets out Cash & Cash Equivalents.

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Business Segments

Asset Management	Asset Management (AM) generates fee income via management of Ichigo Office (8975), Ichigo Hotel (3463), and Ichigo Green (9282), and real estate services related to real estate acquisition, operations, and disposition.
Sustainable Real Estate	Sustainable Real Estate (SRE) preserves and improves real estate. Ichigo receives rental income during the period in which it carries out its value-add, along with earning gains on sales that reflect the real estate's higher value after the value-add is complete.
Clean Energy	Clean Energy (CE) is utility-scale solar and wind power production that produces clean energy and brings productive use to idle land.

Note: The Sustainable Real Estate segment was formerly called Value-Add. In keeping with its recently announced Ichigo 2030 vision, Ichigo is changing the segment name to Sustainable Real Estate from FY20/2 in order to put full focus on Ichigo's commitment to preserving and improving real estate as a sustainable infrastructure company.

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Consolidated Balance Sheet: Segment Breakdown

(JPY million)

Segment	Cash and Cash Equivalents	Operational Loan Investments	Operational Securities Investments	Real Estate for Sale	Power Plants for Sale	Fixed Assets	Intangible Assets	Securities Investments	Other Assets	Total Assets
Asset Management (AM)	–	–	–	–	–	–	771	147	1,600	**2,519**
Sustainable Real Estate (SRE)	15,404	1,324	902	68,290	–	178,672	1,397	2,652	4,810	**273,455**
Clean Energy (CE)	2,633	–	–	–	–	27,462	203	–	1,327	**31,627**
Company-Wide Assets	23,029	–	–	–	–	63	110	1,521	1,398	**26,124**
Total	**41,067**	**1,324**	**902**	**68,290**	**–**	**206,198**	**2,482**	**4,321**	**9,137**	**333,726**

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Consolidated P&L: Segment Breakdown

(JPY million)

Segment	Gross Profit			Operating Profit			
	FY19/2	FY20/2	YOY Change	FY19/2	FY20/2	YOY Change	FY20/2 Forecast
Asset Management (AM)	**2,437**	**3,046**	**+25.0%**	**2,195**	**2,526**	**+15.1%**	**1,821**
Base AM Fees	2,057	2,062	+0.2%	–	–	–	–
Acquisition/Disposition Fees	379	984	+159.6%	–	–	–	–
Sustainable Real Estate (SRE)	**27,761**	**29,521**	**+6.3%**	**22,669**	**23,971**	**+5.7%**	**23,312**
Rental Income	12,867	11,940	-7.2%	–	–	–	–
Asset Sales	14,893	17,158	+15.5%	–	–	–	–
Other Flow Earnings	–	423	–	–	–	–	–
Clean Energy (CE)	**1,928**	**1,940**	**+0.6%**	**1,364**	**1,272**	**-6.7%**	**1,367**
Adjustment (including offsets of cross-segment transactions)	**–**	**–**	**–**	**50**	**-49**	**–**	**–**
Total	**32,126**	**34,509**	**+7.4%**	**26,279**	**27,721**	**+5.5%**	**26,500**

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Asset Management AUM Detail

		FY15/2 (12M)	FY16/2 (12M)	FY17/2 (12M)	FY18/2 (12M)	FY19/2 (12M)	FY20/2 (12M)
Ichigo Office (8975)	AUM (Fiscal Year End)	JPY 123.8B	JPY 165.1B	JPY 194.5B	JPY 196.9B	JPY 203.0B	JPY 203.2B
	Base AM Fee Gross Profit (Actual)	JPY 759M	JPY 1,016M	JPY 1,291M	JPY 1,373M	JPY 1,426M	JPY 1,436M
Ichigo Hotel (3463)	AUM (Fiscal Year End)	–	JPY 20.4B	JPY 47.6B	JPY 50.9B	JPY 50.7B	JPY 50.8B
	Base AM Fee Gross Profit (Actual)	–	JPY 30M	JPY 287M	JPY 450M	JPY461M	JPY 381M
Ichigo Green (9282)	AUM (Fiscal Year End)	–	–	JPY 10.0B	JPY 11.4B	JPY 11.4B	JPY 11.4B
	Base AM Fee Gross Profit (Actual)	–	–	JPY 11M	JPY 77M	JPY 85M	JPY 82M
Private Equity Real Estate Funds (excluding consolidated funds)	AUM (Fiscal Year End)	JPY 21.5B	JPY 15.4B	JPY 6.4B	JPY 12.3B	JPY 20.6B	JPY 36.8B
	Base AM Fee Gross Profit (Actual)	JPY 114M	JPY 60M	JPY 27M	JPY 12M	JPY 41M	JPY 116M
Total (excluding consolidated funds)	AUM (Fiscal Year End)	JPY 145.3B	JPY 200.9B	JPY 258.6B	JPY 271.7B	JPY 285.8B	JPY 302.4B
	Base AM Fee Gross Profit (Actual)	JPY 872M	JPY 1,106M	JPY 1,617M	JPY 1,914M	JPY 2,014M	JPY 2,016M

Ichigo Green Base AM Fee Gross Profit (Actual) includes operator fees.

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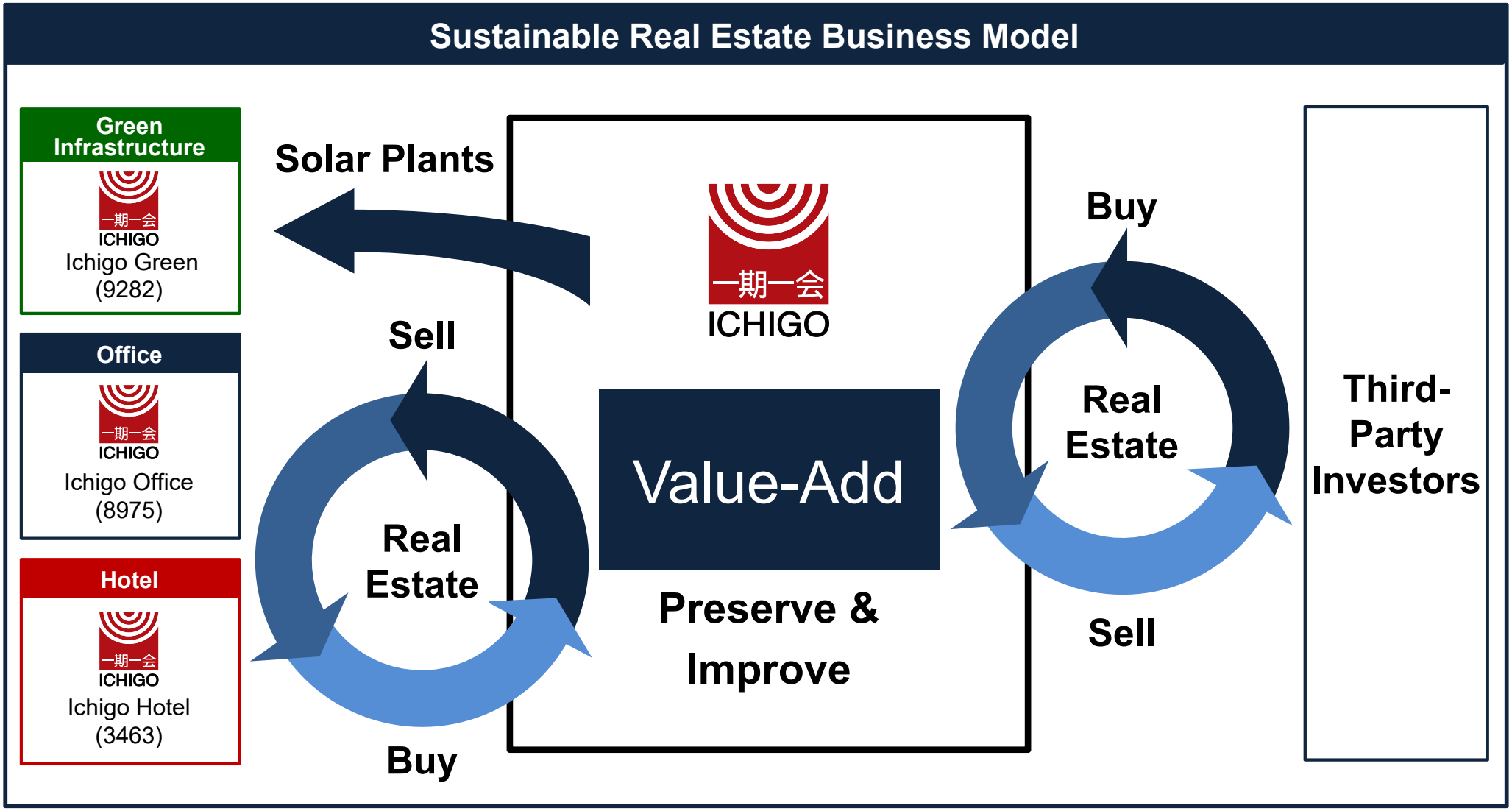
Powerful Sustainable Real Estate Business Model

Significant Synergies Between Ichigo's Sustainable Real Estate and Asset Management Businesses



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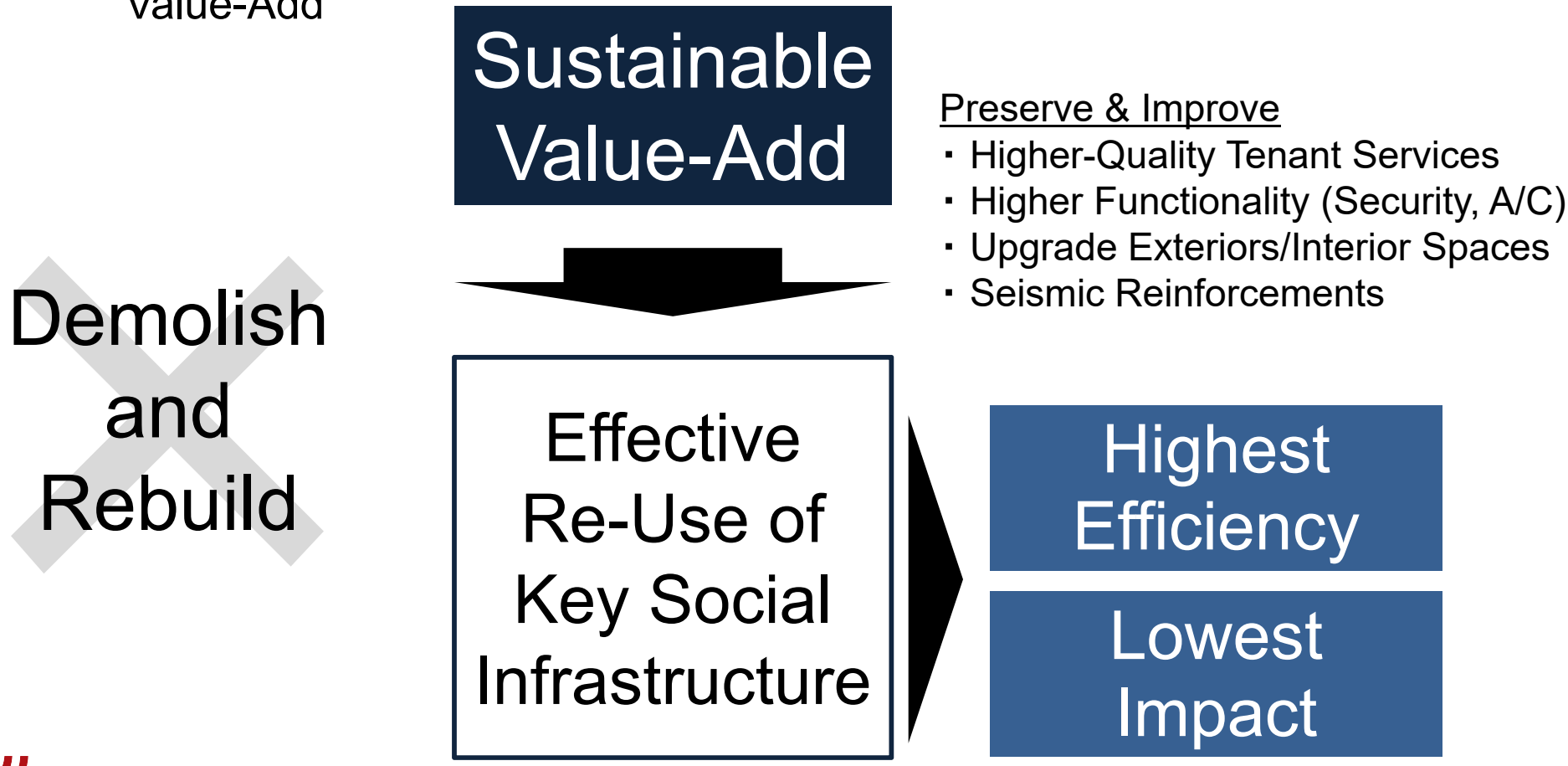
Sustainable Real Estate Serving a Sustainable Society

End Demolish and Rebuild and Embrace Sustainable Value-Add

- Preserve and enhance high-function real estate
- Lengthen useful life and improve quality of existing assets via Sustainable Value-Add



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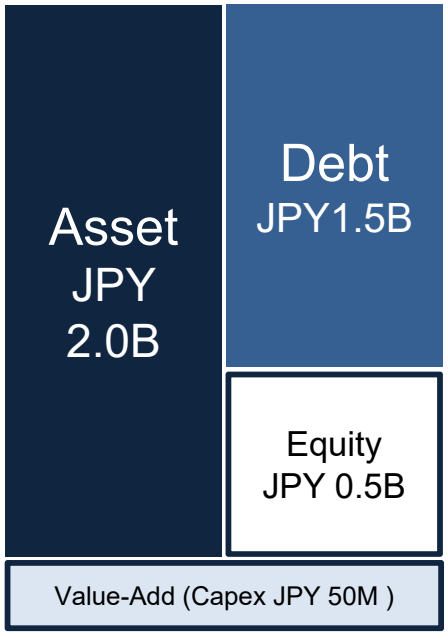
Ichigo Sustainable Real Estate Earnings Model Example

5.5% NOI Yield, JPY 2B Purchase, LTV 75%, 1.5% Interest Rate, JPY 50M Capex, 15% Increase in NOI, 3-Year Value-Add Period

Value-Add Steps: Improved exterior, interior, & tenant services; seismic strengthening; increased energy efficiency; new tenant leasing; etc.



NOI at Acquisition
(JPY 110M NOI/year) − (JPY 22.5M interest/year) = JPY 87.5M NOI/year
NOI÷ Initial Investment =17.5% NOI return during investment period

NOI after Value-Add
(JPY 126.5M NOI/year) − (JPY 22.5M interest/year) = JPY 104M NOI/year
NOI ÷ Total Investment (JPY 500M + JPY 50M) =18.9% NOI return during investment period

Value-Add for Capital Gain
The 15% increase in NOI at an equivalent cap rate increases the exit price by 15%: JPY 2B * 115% = JPY 2.3B
JPY 2.3B – (JPY 2B + JPY 50M) = JPY 250M capital gain

Result
JPY 550M investment generates JPY 512M over 3 years → 31.1% p.a.

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Sustainable Real Estate: Gross Profit Margin (GPM)

Ichigo Value-Add Supports Ongoing High GPM

	FY16/2	FY17/2	FY18/2	FY19/2	FY20/2
GPM (vs. Revenue)	23.0%	13.6%	33.7%	25.5%	28.3%
GPM (Vs. Book value)	29.9%	15.8%	50.9%	34.3%	39.5%
Revenue (JPY M)	31,674	77,502	35,733	58,693	60,601
Gross Profit (JPY M)	7,283	10,562	12,050	14,986	17,158

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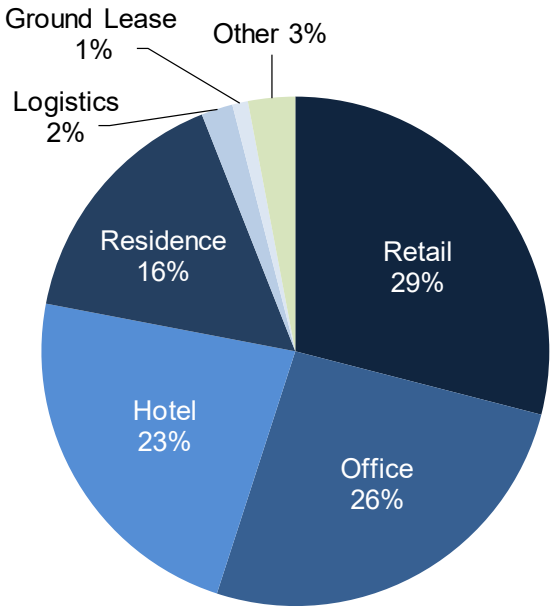
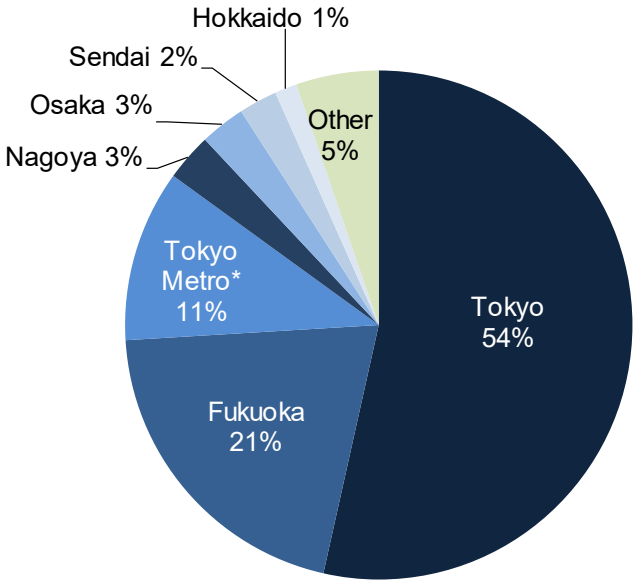
Ichigo-Owned Real Estate Portfolio

By Asset Type

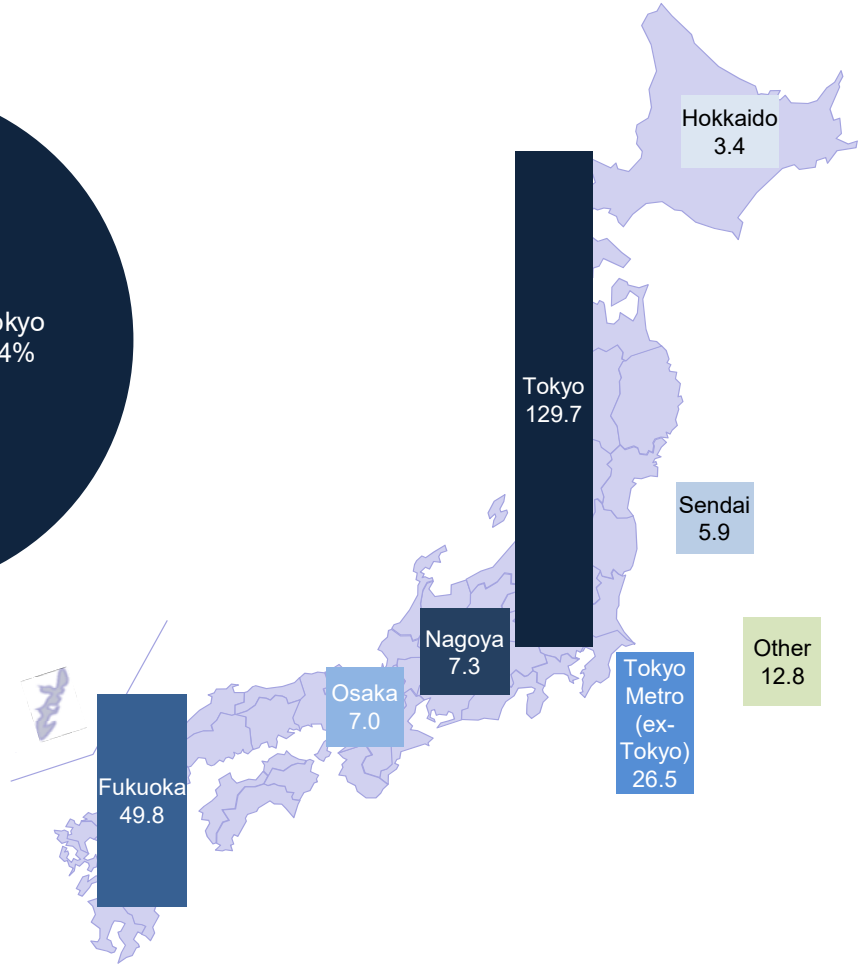


By Location

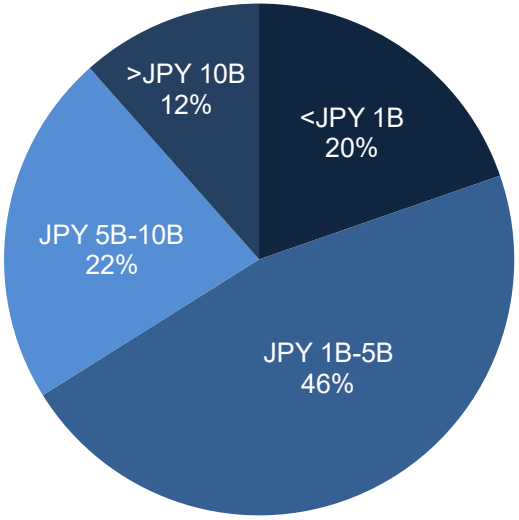


*Ex-Tokyo

(JPY billion)



By Asset Size



Total Ichigo-Owned Assets: JPY 242.3B

Including Ichigo-Managed AUM: JPY 544.7B

* Acquisition price basis
Ichigo-Managed AUM includes JPY 11.4B Ichigo Green assets.
Total Ichigo-Owned Assets Book Value: JPY 244.4B

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Sustainable Real Estate Asset Breakdown (1)

177 Assets, JPY 242B, Forecast NOI JPY 12B (6.2% Yield)

No.	Asset Type	Classification	Location	Acquisition Price	Acquisition Date	Building Age	Expected NOI/Year[1]	Ichigo Equity Investment	Forecast Equity Multiple[2]	Forecast IRR[3]
1	Wholesale Market	Fixed Asset	Matsudo, Chiba	JPY 2B-3B	2005/06	47 years	–	JPY 1,900M	–	–
2	Retail	Fixed Asset	Minato-ku, Tokyo	JPY 2B-3B	2005/10	50 years	JPY 136M	JPY 1,033M	–	–
3	Retail	Fixed Asset	Minato-ku, Tokyo	>JPY 3B	2006/03	34 years	JPY 165M	JPY 1,356M	–	–
4	Retail	Fixed Asset	Yokohama	JPY 1B-2B	2006/09	15 years	JPY 60M	JPY 1,157M	–	–
5	Office	Fixed Asset	Sendai	>JPY 3B	2006/10	11 years	JPY 240M	JPY 1,042M	–	–
6	Office	Fixed Asset	Fukuoka	>JPY 3B	2006/12	11 years	JPY 350M	JPY 1,339M	–	–
10	Retail	Fixed Asset	Chiyoda-ku, Tokyo	<JPY 1B	2007/06	40 years	JPY 85M	JPY 240M	–	–
11	Retail	Fixed Asset	Chiyoda-ku, Tokyo	<JPY 1B	2007/06	38 years	JPY 125M	JPY 233M	–	–
14	Ground Lease	Fixed Asset	Atsugi, Kanagawa	JPY 1B-2B	2011/06	–	JPY 172M	JPY 147M	–	–
15	Retail	Fixed Asset	Hiratsuka, Kanagawa	<JPY 1B	2012/02	24 years	JPY 77M	JPY 172M	–	–
16	Retail	Fixed Asset	Yokohama	<JPY 1B	2012/10	6 years	JPY 34M	JPY 171M	–	–
17	Retail	Fixed Asset	Toshima-ku, Tokyo	>JPY 3B	2013/03	9 years	JPY 244M	JPY 340M	–	–
18	Retail	Fixed Asset	Shibuya-ku, Tokyo	<JPY 1B	2013/05	33 years	JPY 57M	JPY 154M	–	–
19	Retail	Fixed Asset	Chofu, Tokyo	JPY 1B-2B	2013/06	34 years	JPY 135M	JPY 310M	–	–
21	Residential	Fixed Asset	Minato-ku, Tokyo	<JPY 1B	2013/06	4 years	JPY 47M	JPY 203M	–	–

Note: 6.2% yield excludes Ichigo Owners, Centro, and self-storage assets.

1 Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.
2 Forecast Equity Multiple is based on the business plan of each asset and is the sum of forecast rental income and gains on sales divided by Ichigo Investment.
3 Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

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Sustainable Real Estate Asset Breakdown (2)

No.	Asset Type	Classification	Location	Acquisition Price	Acquisition Date	Building Age	Expected NOI/Year[1]	Ichigo Equity Investment	Forecast Equity Multiple[2]	Forecast IRR[3]
27	Retail	Fixed Asset	Tokorozawa, Saitama	JPY 1B-2B	2013/11	12 years	JPY 76M	JPY 92M	–	–
29	Ground Lease	Fixed Asset	Fujisawa, Kanagawa	JPY 1B-2B	2014/03	–	JPY 114M	JPY 273M	–	–
30	Retail	Fixed Asset	Shibuya-ku, Tokyo	<JPY 1B	2014/03	36 years	JPY 51M	JPY 108M	–	–
32	Retail	Fixed Asset	Fukuoka	JPY 1B-2B	2014/04	13 years	JPY 58M	JPY 279M	–	–
35	Retail	Fixed Asset	Minato-ku, Tokyo	JPY 2B-3B	2014/05	11 years	JPY 144M	JPY 434M	–	–
37	Retail	Fixed Asset	Minato-ku, Tokyo	<JPY 1B	2014/07	47 years	JPY 47M	JPY 77M	–	–
39	Retail	Fixed Asset	Fukuoka	<JPY 1B	2014/07	15 years	JPY 52M	JPY 213M	–	–
40	Retail	Fixed Asset	Fukuoka	<JPY 1B	2014/09	34 years	JPY 49M	JPY 252M	–	–
41	Hotel	Fixed Asset	Utsunomiya, Tochigi	JPY 1B-2B	2014/09	32 years	JPY 143M	JPY 400M	–	–
42	Retail	Fixed Asset	Fukuoka	<JPY 1B	2014/09	19 years	JPY 60M	JPY 177M	–	–
43	Retail	Fixed Asset	Osaka	JPY 1B-2B	2014/09	17 years	JPY 117M	JPY 301M	–	–
45	Retail	Fixed Asset	Fukuoka	JPY 1B-2B	2014/11	17 years	JPY 92M	JPY 135M	–	–
57	Residential	Fixed Asset	Minato-ku, Tokyo	JPY 1B-2B	2014/12	16 years	JPY 56M	JPY 186M	–	–
62	Retail	Fixed Asset	Fukuoka	<JPY 1B	2014/12	16 years	JPY 41M	JPY 212M	–	–
63	Retail	Fixed Asset	Meguro-ku, Tokyo	JPY 1B-2B	2014/12	13 years	JPY 85M	JPY 129M	–	–

[1] Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.
[2] Forecast Equity Multiple is based on the business plan of each asset and is the sum of forecast rental income and gains on sales divided by Ichigo Investment.
[3] Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

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Sustainable Real Estate Asset Breakdown (3)

No.	Asset Type	Classification	Location	Acquisition Price	Acquisition Date	Building Age	Expected NOI/Year[1]	Ichigo Equity Investment	Forecast Equity Multiple[2]	Forecast IRR[3]
64	Retail	Fixed Asset	Shinagawa-ku, Tokyo	<JPY 1B	2015/01	–	JPY 26M	–	–	–
66	Retail	Fixed Asset	Sendai	<JPY 1B	2015/02	16 years	JPY 65M	JPY 8M	–	–
68	Retail	Fixed Asset	Shibuya-ku, Tokyo	<JPY 1B	2015/04	18 years	JPY 46M	JPY 79M	–	–
69	Hotel	Fixed Asset	Osaka	JPY 2B-3B	2015/05	17 years	JPY 170M	JPY 633M	–	–
71	Retail	Fixed Asset	Fujisawa, Kanagawa	JPY 1B-2B	2015/07	4 years	JPY 99M	JPY 126M	–	–
110	Hotel	Fixed Asset	Fukuoka	>JPY 3B	2016/03	34 years	JPY 273M	JPY 905M	–	–
111	Hotel	Fixed Asset	Yokohama	JPY 2B-3B	2016/03	36 years	JPY 207M	JPY 228M	–	–
112	Hotel	Fixed Asset	Yokohama	>JPY 3B	2016/03	32 years	JPY 239M	JPY 354M	–	–
113	Hotel	Fixed Asset	Yokohama	>JPY 3B	2016/03	32 years	JPY 288M	JPY 344M	–	–
114	Hotel	Fixed Asset	Fukuoka	>JPY 3B	2016/04	30 years	JPY 183M	JPY 550M	–	–
115	Hotel	Fixed Asset	Osaka	JPY 2B-3B	2016/04	12 years	JPY 130M	JPY 274M	–	–
116	Retail	Fixed Asset	Sendai	<JPY 1B	2016/04	31 years	JPY 63M	JPY 86M	–	–
118	Retail	Fixed Asset	Nagoya	JPY 1B-2B	2016/06	22 years	JPY 83M	JPY 102M	–	–
119	Retail	Fixed Asset	Shibuya-ku, Tokyo	<JPY 1B	2016/06	32 years	JPY 42M	JPY 136M	–	–
120	Hotel	Fixed Asset	Shinjuku-ku, Tokyo	>JPY 3B	2016/09	40 years	JPY 554M	JPY 349M	–	–

[1] Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.
[2] Forecast Equity Multiple is based on the business plan of each asset and is the sum of forecast rental income and gains on sales divided by Ichigo Investment.
[3] Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

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Sustainable Real Estate Asset Breakdown (4)

No.	Asset Type	Classification	Location	Acquisition Price	Acquisition Date	Building Age	Expected NOI/Year[1]	Ichigo Equity Investment	Forecast Equity Multiple[2]	Forecast IRR[3]
121	Office	Fixed Asset	Minato-ku, Tokyo	>JPY 3B	2016/10	19 years	JPY 1,540M	JPY 3,450M	–	–
122	Hotel	Fixed Asset	Shima, Mie	<JPY 1B	2017/01	22 years	JPY 78M	JPY 73M	–	–
132	Residential	Fixed Asset	Minato-ku, Tokyo	<JPY 1B	2017/04	16 years	JPY 51M	JPY 190M	–	–
133	Hotel	Fixed Asset	Minato-ku, Tokyo	<JPY 1B	2017/04	17 years	JPY 46M	JPY 152M	–	–
134	Residential	Fixed Asset	Chuo-ku, Tokyo	JPY 1B-2B	2017/04	17 years	JPY 58M	JPY 197M	–	–
138	Hotel	Fixed Asset	Ogaki, Gifu	JPY 1B-2B	2017/05	30 years	JPY 116M	–	–	–
144	Office	Fixed Asset	Chiyoda-ku, Tokyo	JPY 1B-2B	2018/02	31 years	JPY 129M	JPY 268M	–	–
145	Hotel	Fixed Asset	Fukuoka	JPY 2B-3B	2018/03	2 years	JPY 194M	JPY 301M	–	–
146	Retail	Fixed Asset	Chuo-ku, Tokyo	JPY 1B-2B	2018/08	29 years	JPY 32M	–	–	–
147	Hotel	Fixed Asset	Kyoto	>JPY 3B	2018/08	1 year	JPY 327M	JPY 1,666M	–	–
148	Office (Land)	Fixed Asset	Chiyoda-ku, Tokyo	<JPY 1B	2018/08	–	JPY 54M	JPY 166M	–	–
149	Retail	Fixed Asset	Chiyoda-ku, Tokyo	>JPY 3B	2018/09	29 years	JPY 308M	JPY 2,269M	–	–
151	Office	Fixed Asset	Fukuoka	<JPY 1B	2018/10	21 years	JPY 33M	JPY 38M	–	–
152	Office	Fixed Asset	Fukuoka	JPY 2B-3B	2019/02	32 years	JPY 174M	JPY 382M	–	–
154	Residential	Fixed Asset	Kita Kyushu, Fukuoka	JPY 1B-2B	2019/03	6 years	JPY 83M	JPY 181M	–	–

[1] Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.
[2] Forecast Equity Multiple is based on the business plan of each asset and is the sum of forecast rental income and gains on sales divided by Ichigo Investment.
[3] Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

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Sustainable Real Estate Asset Breakdown (5)

No.	Asset Type	Classification	Location	Acquisition Price	Acquisition Date	Building Age	Expected NOI/Year[1]	Ichigo Equity Investment	Forecast Equity Multiple[2]	Forecast IRR[3]
155	Office	Fixed Asset	Shinagawa-ku, Tokyo	JPY 2B-3B	2019/03	34 years	JPY 169M	JPY 616M	–	–
157	Office	Fixed Asset	Chiyoda-ku, Tokyo	<JPY 1B	2019/04	36 years	JPY 52M	–	–	–
158	Other	Fixed Asset	Chuo-ku, Tokyo	JPY 1B-2B	2019/05	–	JPY 12M	–	–	–
159	Retail	Fixed Asset	Shibuya-ku, Tokyo	JPY 2B-3B	2019/05	40 years	JPY 123M	JPY 210M	–	–
160	Office	Fixed Asset	Fukuoka	JPY 2B-3B	2019/06	22 years	JPY 129M	JPY 248M	–	–
161	Hotel	Fixed Asset	Fukuoka	>JPY 3B	2019/07	25 years	JPY 368M	JPY 1,636M	–	–
162	Hotel	Fixed Asset	Fukuoka	>JPY 3B	2019/07	21 years	JPY 353M	JPY 1,170M	–	–
			67 Fixed Assets	**JPY 165,669M** **JPY 167,186M (Book Value)**			**JPY 10,005M**	**JPY 30,452M**	**–**	**–**

[1] Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.
[2] Forecast Equity Multiple is based on the business plan of each asset and is the sum of forecast rental income and gains on sales divided by Ichigo Investment.
[3] Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

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Sustainable Real Estate Asset Breakdown (6)

No.	Asset Type	Classification	Location	Acquisition Price	Acquisition Date	Building Age	Expected NOI/Year[1]	Ichigo Equity Investment	Forecast Equity Multiple[2]	Forecast IRR[3]
61	Retail	Operational Loan	Shinjuku-ku, Tokyo	JPY 1B-2B	2014/12	56 years	JPY 120M	JPY 57M	15.26X	51.7%
89	Office	Real Estate for Sale	Musashino, Tokyo	>JPY 3B	2015/07	31 years	JPY 131M	JPY 670M	1.72X	13.3%
92	Office	Real Estate for Sale	Fukuoka	JPY 1B-2B	2015/07	12 years	JPY 85M	JPY 353M	1.82X	17.7%
130	Retail	Real Estate for Sale	Taito-ku, Tokyo	JPY 1B-2B	2017/04	26 years	JPY 100M	JPY 297M	4.42X	21.1%
135	Logistics	Real Estate for Sale	Narashino, Chiba	JPY 1B-2B	2017/04	28 years	JPY 114M	JPY 188M	6.18X	25.8%
136	Logistics	Real Estate for Sale	Narashino, Chiba	JPY 1B-2B	2017/04	28 years	JPY 152M	JPY 203M	8.75X	32.8%
143	Retail	Real Estate for Sale	Fukuoka	JPY 1B-2B	2017/09	35 years	JPY 106M	JPY 223M	3.78X	19.9%
150	Retail	Real Estate for Sale	Chuo-ku, Tokyo	>JPY 3B	2018/10	32 years	JPY 359M	JPY 1,161M	6.17X	24.7%
153	Hotel	Real Estate for Sale	Fukuoka	<JPY 1B	2019/02	26 years	JPY 110M	–	–	–
156	Logistics	Real Estate for Sale	Fukuoka	JPY 2B-3B	2019/03	32 years	JPY 150M	JPY 651M	3.60X	30.0%
163	Retail	Real Estate for Sale	Nagoya	>JPY 3B	2019/08	22 years	JPY 479M	JPY 1,146M	3.47X	17.0%
			11 Real Estate for Sale	**JPY 30,832M JPY 30,906M (Book Value)**			**JPY 1,905M**	**JPY 4,948M**	**4.29X**	**25.4%**
			Subtotal 78 Assets	**JPY 196,502M JPY 198,093M (Book Value)**			**JPY 11,911M**	**JPY 35,401M**	**–**	**–**

[1] Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.
[2] Forecast Equity Multiple is based on the business plan of each asset and is the sum of forecast rental income and gains on sales divided by Ichigo Investment.
[3] Forecast IRR is the forecast internal rate of return based on each asset's actual cash flow. The total Forecast Equity Multiple and Forecast IRR are for Real Estate for Sale assets acquired from FY15/2 onward and exclude Fixed Assets.

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Sustainable Real Estate Asset Breakdown (7)

No.	Asset Type		Acquisition Price	vs. FY19/2 Q4	Expected NOI/Year[1]	Ichigo Equity Investment	Forecast Equity Multiple	Forecast IRR
A	Ichigo Owners (Office & Residential)	49 Assets	JPY 36,634M	+JPY 18,925M	JPY 1,722M	JPY 13,386M	–	–
B	Centro (Primarily Office & Residential)	21 Assets	JPY 6,828M	-JPY 231M	JPY 467M	JPY 1,872M	–	–
C	Self-Storage	29 Assets	JPY 2,355M	+JPY 360M	JPY 304M	JPY 710M	–	–
		Total 177 Assets	**JPY 242,321M** **JPY 244,465M (Book Value)**		**JPY 14,405M**	**JPY 51,371M**	**–**	**–**
	Assets acquired in FY20/2 Q1 (3M)	**Total 22 Assets**	**JPY 20,000M**		**JPY 964M**	**JPY 5,715M**	**–**	**–**
	Assets acquired in FY20/2 Q2 (3M)	**Total 14 Assets**	**JPY 24,670M**		**JPY 1,532M**	**JPY 5,896M**	**–**	**–**
	Assets acquired in FY20/2 Q3 (3M)	**Total 12 Assets**	**JPY 8,165M**		**JPY 357M**	**JPY 3,594M**	**–**	**–**
	Assets acquired in FY20/2 Q4 (3M)*	**Total 10 Assets**	**JPY 8,329M**		**JPY 370M**	**JPY 3,960M**	**–**	**–**
	Assets acquired in FY20/2 (12M)	**Total 58 Assets**	**JPY 61,164M**		**JPY 3,223M**	**JPY 19,166M**	**–**	**–**
	Assets acquired and sold in FY20/2*	**Total 8 Assets**	**JPY 5,283M**		**JPY 236M**	**JPY 2,314M**	**–**	**–**

* Sold 8 Ichigo Owners assets

[1] Expected NOI/ Year is based on the business plan of each asset and is the expected NOI after value-add is completed.

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Ichigo Solar Power Plant Portfolio

Ichigo (Operating)

Solar Power Plant	Area	Panel Output (MW)	FIT (Pre-tax)	Operation Start Date
Ichigo Tokushima Higashi-Okinosu	Shikoku	2.52	JPY 40	Aug 2013
Ichigo Fuchu Jogecho Yano	Chugoku	0.99	JPY 40	Mar 2014
Ichigo Yubetsu Barou	Hokkaido	0.80	JPY 40	Apr 2014
Ichigo Maebashi Naegashima	Kanto	0.67	JPY 40	Apr 2014
Ichigo Betsukai Kawakamicho	Hokkaido	0.88	JPY 40	Oct 2014
Ichigo Toyokoro Sasadamachi	Hokkaido	0.60	JPY 40	Oct 2014
Ichigo Higashi-Hiroshima Saijocho Taguchi	Chugoku	2.72	JPY 40	Jan 2015
Ichigo Akkeshi Shirahama	Hokkaido	0.80	JPY 40	Mar 2015
Ichigo Hamanaka Bokujo Tsurunokotai	Tohoku	2.31	JPY 36	Dec 2015
Ichigo Yonago Izumi	Chugoku	2.61	JPY 40	Jan 2016
Ichigo Kasaoka Takumicho	Chugoku	1.11	JPY 32	Mar 2016
Ichigo Kijo Takajo	Kyushu	0.89	JPY 40	May 2016
Ichigo Toki Oroshicho	Chubu	1.39	JPY 36	Jun 2016
Ichigo Toride Shimotakai Kita	Kanto	1.03	JPY 32	Jul 2016
Ichigo Toride Shimotakai Minami	Kanto	0.54	JPY 32	Jul 2016
Ichigo Hamanaka Bokujo Kajibayashi	Tohoku	2.31	JPY 36	Oct 2016
Ichigo Sera Tsukuchi	Chugoku	2.54	JPY 32	Feb 2017
Ichigo Sera Aomizu	Chugoku	2.87	JPY 32	Aug 2017
Ichigo Showamura Ogose	Kanto	43.34	JPY 36	Sep 2017
Ichigo Memuro Nishi-Shikari	Hokkaido	1.32	JPY 40	Feb 2018
Ichigo Kure Yasuuracho Nakahata	Chugoku	2.90	JPY 36	Mar 2018
Ichigo Tsu	Chubu	2.94	JPY 24	Mar 2018
Ichigo Kasaoka Iwanoike	Chugoku	2.64	JPY 24	Mar 2018
Ichigo Toki Tsurusatocho Kakino	Chubu	1.31	JPY 24	Apr 2018
Ichigo Itoshima Iwara	Kyushu	1.48	JPY 36	Jan 2019
Ichigo Sakahogi Fukagaya	Chubu	2.89	JPY 21	May 2019
Ichigo Sennan Kitsuneike	Kansai	2.86	JPY 21	Jul 2019
Ichigo Minakami Aramaki	Kanto	12.02	JPY 36	Jan 2020
Ichigo Takashima Kutsuki	Kansai	3.74	JPY 32	Jan 2020
Ichigo Toki Tsurusatocho Kakino Higashi	Chubu	1.67	JPY 21	Feb 2020
Ichigo Hitachiomiya	Kanto	2.99	JPY 24	Mar 2020
Total (Operating)		31 Plants 109.84MW		

Total 188MW

Ichigo (In-Development)

Solar Power Plant	Area	Panel Output (MW)	FIT (Pre-tax)	Operation Start Date
Ichigo Hokota Aoyagi	Kanto	2.48	JPY 24	Apr 2020
Ichigo Kasaoka Osakaike	Chugoku	2.66	JPY 21	Apr 2020
Ichigo Minokamo Hachiyacho Kamihachiya	Chubu	1.29	JPY 18	Aug 2020
Ichigo Seto Jokojicho	Chubu	1.45	JPY 18	Aug 2020
(Wind) Ichigo Yonezawa Itaya	Tohoku	7.39	JPY 22	Dec 2020
Ichigo Toride Shimotakai Nishi	Kanto	2.85	JPY 18	Apr 2021
Ichigo Sera Shimotsuda	Chugoku	2.93	JPY 18	Aug 2021
Ichigo Ueda Yoshidaike	Chubu	1.01	JPY 18	Oct 2021
Ichigo Obu Yoshidamachi	Chubu	0.98	JPY 18	Jan 2022
Ichigo Kobe Pompuike	Kansai	2.45	JPY 18	Jan 2022
Ichigo Miyakonojo Takazakicho Tsumagirishima	Kyushu	2.96	JPY 32	Feb 2022
Ichigo Kasaoka Idachiike	Chugoku	2.66	JPY 18	Mar 2022
Ichigo Komagane Akaho Minami	Chubu	0.74	JPY 14	Jan 2023
Ichigo Komagane Akaho Kita	Chubu	0.39	JPY 14	Jan 2023
Ichigo Chiba Wakaba-ku Omiyacho Nishi	Kanto	0.74	JPY 14	Jan 2023
Ichigo Chiba Wakaba-ku Omiyacho Higashi	Kanto	0.74	JPY 14	Jan 2022
Ichigo Tatsunomachi Sawasoko	Chubu	0.74	JPY 14	Jan 2023
Ichigo Ebino Suenaga	Kyushu	14.00	JPY 40	Jun 2023
Total (In-Development)		18 Plants 48.56MW		
Total (Operating & In-Development)		49 Plants 158.40MW		

* Excludes wind power plants under development (18.5MW)

Ichigo Green (9282)

Area (Number of Power Plants)	Panel Output (MW)	FIT (Pre-tax)
Hokkaido (7)	9.14	JPY 40
Kanto (1)	1.33	JPY 40
Chubu (1)	1.80	JPY 32
Chugoku (2)	3.60	JPY 36, JPY40
Shikoku (2)	3.67	JPY 36, JPY40
Kyushu (1)	1.44	JPY 36
Okinawa (1)	8.44	JPY 40
Total	15 Plants 29.43MW	

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Ichigo Solar & Wind Power Plant Portfolio

Serving Local Communities and the Environment

Total Operating and In-Development Ichigo Power Plants

64 Plants (188MW*)

Currently Operating

46 Plants (139MW)

Okinawa

Ichigo Nago Futami	8.44MW

Kyushu

Ichigo Kijo Takajo	0.89MW
Ichigo Itoshima Iwara	1.48MW
Ichigo Miyakonojo Yasuhisacho	1.44MW
Ichigo Miyakonojo Takazakicho Tsumagirishima	2.96MW
Ichigo Ebino Suenaga	14.00MW
Total	20.79MW

* Excludes wind power plants under development (18.5MW)

Ichigo

Ichigo Green (9282)

In-Development

Chugoku

Ichigo Yonago Izumi	2.61MW
Ichigo Kasaoka Takumicho	1.11MW
Ichigo Fuchu Jogecho Yano	0.99MW
Ichigo Sera Tsukuchi	2.54MW
Ichigo Sera Aomizu	2.87MW
Ichigo Higashi-Hiroshima Saijocho Taguchi	2.72MW
Ichigo Kasaoka Iwanoike	2.64MW
Ichigo Kure Yasuuracho Nakahata	2.90MW
Ichigo Yamaguchi Aionishi	1.24MW
Ichigo Yamaguchi Sayama	2.35MW
Ichigo Kasaoka Osakaike	2.66MW
Ichigo Kasaoka Idachiike	2.66MW
Ichigo Sera Shimotsuda	2.93MW
Total	30.28MW

Kansai

Ichigo Sennan Kitsuneike	2.86MW
Ichigo Takashima Kutsuki	3.74MW
Ichigo Kobe Pompuike	2.45MW
Total	9.07MW

Shikoku

Ichigo Tokushima Higashi-Okinosu	2.52MW
Ichigo Takamatsu Kokubunjicho Nii	2.43MW
Ichigo Iyo Nakayamacho Izubuchi	1.23MW
Total	6.19MW

Chubu

Ichigo Toki Oroshicho	1.39MW
Ichigo Tsu	2.94MW
Ichigo Toki Tsurusatocho Kakino	1.31MW
Ichigo Sakahogi Fukagaya	2.89MW
Ichigo Toki Tsurusatocho Kakino Higashi	1.67MW
Ichigo Toyokawa Mitocho Sawakihama	1.80MW
Ichigo Minokamo Hachiyacho Kamihachiya	1.29MW
Ichigo Seto Jokojicho	1.50MW
Ichigo Obu Yoshidamachi	0.98MW
Ichigo Ueda Yoshidaike	1.01MW
Ichigo Komagane Akaho Minami	0.74MW
Ichigo Komagane Akaho Kita	0.39MW
Ichigo Tatsunomachi Sawasoko	0.74MW
Total	18.68MW

Hokkaido

Ichigo Yubetsu Barou	0.80MW
Ichigo Betsukai Kawakamicho	0.88MW
Ichigo Akkeshi Shirahama	0.80MW
Ichigo Toyokoro Sasadamachi	0.60MW
Ichigo Memuro Nishi-Shikari	1.32MW
Ichigo Motomombetsu	1.40MW
Ichigo Engaru Higashimachi	1.24MW
Ichigo Engaru Kiyokawa	1.12MW
Ichigo Abira Toasa	1.16MW
Ichigo Muroran Hatchodaira	1.24MW
Ichigo Toyokoro	1.02MW
Ichigo Nakashibetsu Midorigaoka	1.93MW
Total	13.57MW

Tohoku

Ichigo Hamanaka Bokujo Tsurunokotai	2.31MW
Ichigo Hamanaka Bokujo Kajibayashi	2.31MW
(Wind) Ichigo Yonezawa Itaya	7.39MW
Total	12.01MW
(Wind – Pipeline) Iwate	7.50MW
(Wind – Pipeline) Fukushima	7.00MW

Kanto

Ichigo Maebashi Naegashima	0.67MW
Ichigo Showamura Ogose	43.34MW
Ichigo Toride Shimotakai Kita	1.03MW
Ichigo Toride Shimotakai Minami	0.54MW
Ichigo Minakami Aramaki	12.02MW
Ichigo Hitachiomiya	2.99MW
Ichigo Kiryu Okuzawa	1.33MW
Ichigo Hokota Aoyagi	2.48MW
Ichigo Toride Shimotakai Nishi	2.85MW
Ichigo Chiba Wakaba-ku Omiyacho Nishi	0.74MW
Ichigo Chiba Wakaba-ku Omiyacho Higashi	0.74MW
Total	68.79MW
(Wind – Pipeline) Chiba	4.00MW

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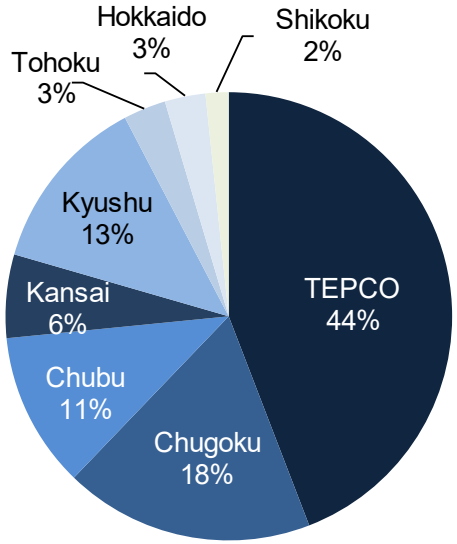
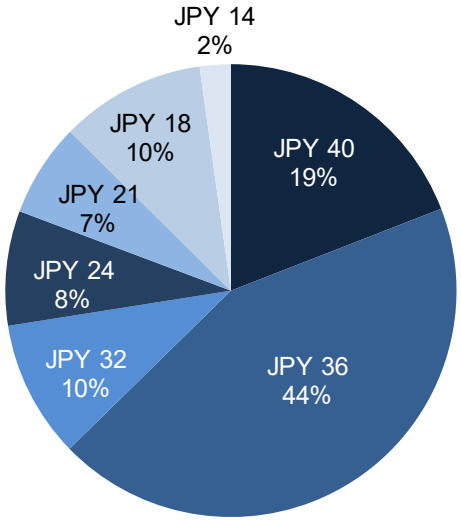
Ichigo-Owned Solar Power Plant Details

Total Operating and In-Development
Ichigo-Owned Solar Power Plants: 48 Plants (151.01MW)

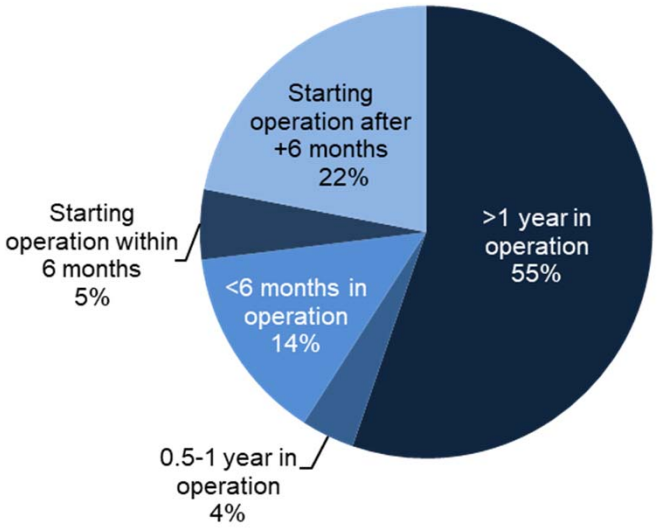
By Customer
(Electric Power Utility Co)



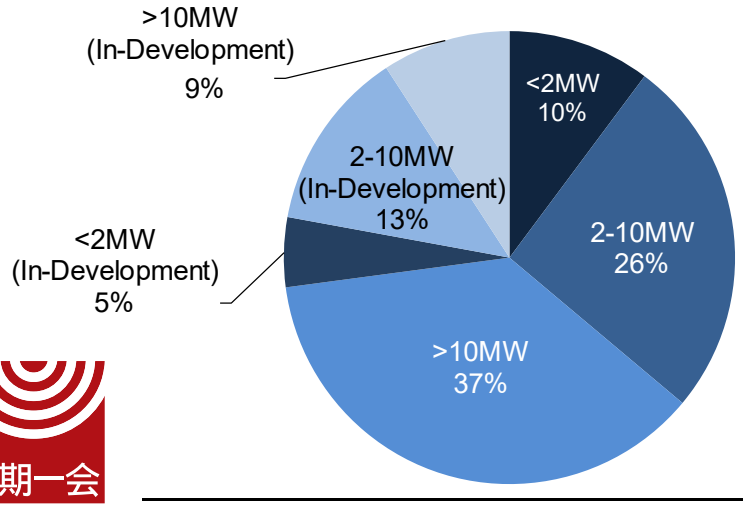
By Feed-In Tariff



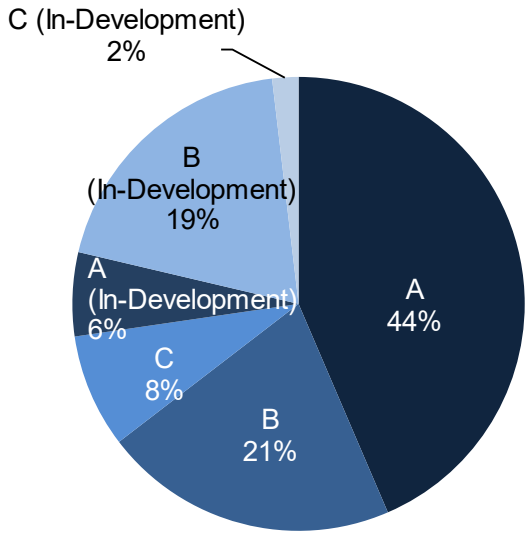
By Operating Timeline



By Output



By Solar Intensity



Rank	Solar Intensity
A	≧4.00
B	≧3.75, <4.00
C	≧3.50, <3.75
D	<3.50

Unit: kWh/m² per day

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Reference: Japan's Feed-In Tariff (FIT)

What is a FIT?

- A policy mechanism to encourage investment in renewable energies by guaranteeing a fixed price for electricity over a 20-year contract period
- The fixed price for new contracts is adjusted every year, but locked in for the duration of the contract period

Solar Power FIT

Contract Date	FIT	Guarantee Period
FY2012	JPY 40	20 years
FY2013	JPY 36	20 years
FY2014	JPY 32	20 years
FY2015 (4/1~6/30)	JPY 29	20 years
FY2015 (7/1~3/31)	JPY 27	20 years
FY2016	JPY 24	20 years
FY2017	JPY 21 [1]	20 years
FY2018	JPY 18 [1]	20 years
FY2019	JPY 14 [2]	20 years
FY2020	JPY 13 [3] JPY 12 [4]	20 years

Wind Power FIT

Contract Date	FIT	Guarantee Period
FY2017 (4/1~9/30)	JPY 22	20 years
FY2017 (10/1~3/31)	JPY 21	20 years
FY2018	JPY 20	20 years
FY2019	JPY 19	20 years
FY2020	JPY 18	20 years

Source: METI, Agency for Natural Resources and Energy

[1] FIT for >2MW non-residential solar power production determined via auction process
[2] FIT for >0.5MW non-residential solar power production determined via auction process
[3] FIT for 0.01 to 0.05MW non-residential solar power production
FIT for >0.5MW non-residential solar power production determined via auction process
[4] FIT for 0.05 to 0.25MW non-residential solar power production
FIT for >0.5MW non-residential solar power production determined via auction process

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Consolidated Balance Sheet: Assets

(JPY million)

	FY16/2	FY17/2	FY18/2	FY19/2	FY20/2	vs. FY19/2
Assets						
Current Assets						
Cash and cash equivalents	28,779	47,678	45,510	50,225	41,067	-9,158
Trade notes and accounts receivable	691	913	1,097	1,344	2,308	+964
Operational loan investments	1,324	1,324	1,324	1,324	1,324	–
Operational securities investments	1,784	1,433	2	1,218	902	-316
Real estate for sale	172,833	167,805	180,789	161,322	68,290	-93,032
Deferred tax assets	1,766	516	342	–	–	–
Other	3,966	3,125	2,643	2,156	3,721	+1,565
Less: allowance for doubtful accounts	-458	-453	-28	-2	-6	-4
Total Current Assets	210,687	222,344	231,681	217,590	117,608	-99,982
Fixed Assets						
Property, Plant, and Equipment						
Buildings and structures (net)	3,830	7,375	10,600	20,338	55,050	+34,712
Solar power plant equipment (net)	12,256	7,246	19,773	19,058	23,425	+4,367
Land	12,192	18,627	26,993	49,924	122,114	+72,190
Other (net)	3,264	12,402	1,190	5,655	5,607	-48
Total Property, Plant, and Equipment	31,546	45,654	58,558	94,976	206,198	+111,222
Intangible Assets						
Goodwill	1,942	1,864	1,600	1,346	1,090	-256
Leasehold rights	392	62	135	316	687	+371
Other	38	29	233	331	705	+374
Total Intangible Assets	2,373	1,956	1,968	1,993	2,482	+489
Investments and Other Assets						
Securities investments	5,486	1,426	2,184	2,455	4,321	+1,866
Long-term loans receivable	12	10	10	10	510	+500
Deferred tax assets	39	339	68	177	568	+391
Other	1,736	1,820	2,132	2,231	2,128	-103
Less: allowance for doubtful accounts	-124	-92	-91	-91	-91	–
Total Investments and Other Assets	7,149	3,504	4,303	4,782	7,436	+2,654
Total Fixed Assets	41,069	51,115	64,831	101,752	216,118	+114,366
Total Assets	**251,757**	**273,459**	**296,512**	**319,343**	**333,726**	**+14,383**

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Consolidated Balance Sheet: Liabilities & Net Assets

(JPY million)

	FY16/2	FY17/2	FY18/2	FY19/2	FY20/2	vs. FY19/2
Liabilities						
Current Liabilities						
Trade notes and accounts payable	80	110	–	–	–	–
Short-term loans	2,188	805	1,042	3,275	3,086	-189
Short-term non-recourse loans	79	611	–	–	–	–
Bonds (due within one year)	–	112	112	112	274	+162
Long-term loans (due within one year)	8,161	5,209	4,449	7,881	12,277	+4,396
Long-term non-recourse loans (due within one year)	2,975	6,825	3,921	1,666	1,178	-488
Income taxes payable	631	1,655	1,609	3,760	2,416	-1,344
Deferred tax liabilities	53	62	494	–	–	–
Accrued bonuses	13	36	34	31	33	+2
Other current liabilities	3,979	4,119	4,652	5,178	5,013	-165
Total Current Liabilities	18,161	19,548	16,316	21,905	24,280	+2,375
Long-Term Liabilities						
Bonds	–	632	520	538	6,082	+5,544
Non-recourse bonds	100	100	–	–	–	–
Long-term loans	94,409	91,604	112,366	131,569	151,483	+19,914
Long-term non-recourse loans	56,193	68,319	63,588	51,068	39,156	-11,912
Deferred tax liabilities	1,543	1,147	1,744	2,164	1,890	-274
Long-term security deposits received	8,707	8,038	8,492	8,292	8,118	-174
Other long-term liabilities	475	624	758	946	1,107	+161
Total Long-Term Liabilities	161,430	170,467	187,470	194,579	207,838	+13,259
Total Liabilities	**179,591**	**190,015**	**203,787**	**216,484**	**232,119**	**+15,635**
Net Assets						
Shareholders' Equity						
Capital	26,575	26,650	26,723	26,820	26,885	+65
Capital reserve	10,968	11,056	11,113	11,207	11,272	+65
Retained earnings	29,454	42,840	54,324	66,730	71,505	+4,775
Treasury shares	-41	-15	-2,995	-5,988	-8,988	-3,000
Total Shareholders' Equity	66,956	80,532	89,165	98,769	100,674	+1,905
Accumulated Other Comprehensive Income						
Valuation gains (losses) on other securities	761	117	543	386	158	-228
Deferred gains (losses) on long-term interest rate	-251	-365	-372	-408	-397	+11
Foreign currency translation adjustment	23	55	–	–	–	–
Total Accumulated Other Comprehensive Income	533	-192	171	-21	-239	-218
Stock Options	319	491	666	827	988	+161
Minority Interests	4,357	2,612	2,722	3,283	184	-3,099
Total Net Assets	**72,166**	**83,443**	**92,725**	**102,859**	**101,607**	-1,252
Total Liabilities and Net Assets	**251,757**	**273,459**	**296,512**	**319,343**	**333,726**	**+14,383**

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Consolidated P&L

(JPY million)

	FY16/2	FY17/2	FY18/2	FY19/2	FY20/2	Change (YOY)	FY20/2 Full-Year Forecast	vs. Forecast
Revenue	**49,699**	**109,253**	**57,846**	**83,540**	**87,360**	**+3,820**	**–**	**–**
Cost of Goods Sold	28,865	81,327	30,860	51,413	52,851	+1,438	–	–
Gross Profit	**20,833**	**27,925**	**26,986**	**32,126**	**34,509**	**+2,383**	**–**	**–**
SG&A	4,446	5,025	5,067	5,847	6,787	+940	–	–
Operating Profit	**16,387**	**22,900**	**21,919**	**26,279**	**27,721**	**+1,442**	**26,500**	**104.6%**
Non-Operating Income								
Interest income	2	–	3	3	8	+5	–	–
Dividend income	79	85	57	68	78	+10	–	–
Negative goodwill amortization	90	–	–	–	–	–	–	–
Mark-to-market gains on long-term interest rate hedges	–	–	–	5	–	-5	–	–
Other	43	32	100	70	62	-8	–	–
Total Non-Operating Income	215	118	161	147	150	+3	–	–
Non-Operating Expenses								
Interest expenses	2,234	2,278	2,249	2,328	2,293	-35	–	–
Mark-to-market losses on long-term interest rate hedges	–	53	270	491	336	-155	–	–
Debt financing-related fees	98	714	207	327	538	+211	–	–
Other	380	217	168	203	307	+104	–	–
Total Non-Operating Expenses	2,713	3,263	2,895	3,350	3,476	+126	–	–
Recurring Profit	**13,889**	**19,755**	**19,185**	**23,076**	**24,395**	**+1,319**	**22,800**	**107.0%**
Extraordinary Gains								
Gains on sales of securities investments	223	2,466	–	2	11	+9	–	–
Gains on sales of shares in affiliates	–	–	1,221	–	–	–	–	–
Gains on sales of subsidiary shares	–	–	–	–	169	+169	–	–
Other	–	–	41	–	35	+35	–	–
Total Extraordinary Gains	223	2,466	1,263	2	215	+213	–	–
Extraordinary Losses								
Loss on disposal of fixed assets	–	–	11	–	27	+27	–	–
Valuation losses on securities investments	49	–	–	–	229	+229	–	–
Office move expenses	9	31	–	–	–	–	–	–
Impairment loss	–	1,090	327	–	319	+319	–	–
Earthquake-related damages	–	244	–	–	–	–	–	–
Covid-19 writedown of real estate for sale	–	–	–	–	7,487	+7,487	–	–
Other	31	224	–	–	–	–	–	–
Total Extraordinary Losses	89	1,590	339	–	8,065	+8,065	–	–
Pre-Tax Net Income	14,022	20,630	20,109	23,079	16,545	-6,534	–	–
Income Taxes	960	5,436	5,923	7,333	7,406	+73	–	–
Pre-Minority Interest Net Income	13,062	15,194	14,185	15,746	9,139	-6,607	–	–
Net Income Attributable to Minority Interests	136	299	167	373	938	+565	–	–
Net Income	**12,925**	**14,894**	**14,018**	**15,373**	**8,201**	**-7,172**	**15,000**	**54.7%**

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Consolidated Cash Flows from Operations

(JPY million)

	FY16/2	FY17/2	FY18/2	FY19/2	FY20/2
Cash Flows from Operations					
Pre-tax net income	14,022	20,630	20,109	23,079	16,545
Depreciation	792	778	1,015	1,696	2,630
Share-based compensation expenses	174	223	215	213	194
Amortization of goodwill	139	141	111	254	174
Amortization of negative goodwill	-90	–	–	–	–
Increase (decrease) in accrued bonuses	-3	23	32	-3	2
Increase (decrease) in allowance for doubtful accounts	3	-3	-355	-26	4
Interest and dividend income	-81	-85	-61	-71	-86
Interest expenses	1,277	1,303	2,249	2,328	2,293
Losses (gains) on sales of subsidiary shares	–	–	–	–	-169
Losses (gains) on sales of shares in affiliates	–	–	-1,221	–	–
Losses (gains) on sales of securities investments	-223	-2,466	–	-2	-11
Impairment loss	–	1,090	327	–	319
Valuation losses on securities investments	49	–	–	–	229
Decrease (increase) in trading notes and receivables	-172	-367	-468	-247	-903
Decrease (increase) in operational loans receivable	1,006	–	–	–	–
Decrease (increase) in operational securities investments	1,239	2,727	1,663	3,509	11,682
Valuation losses on operational securities investments	19	–	–	–	–
Decrease (increase) in real estate for sale	-63,070	-6,303	-8,112	-3,163	-17,447
Covid-19 writedown of real estate for sale	–	–	–	–	7,487
Decrease (increase) in power plant for sale	–	7,251	996	–	–
Valuation losses on SPC capital contributions	11	16	–	–	–
Decrease (increase) in advances paid	-990	-190	871	-333	16
Decrease (increase) in accounts receivable	-1,140	-193	-10	-399	29
Increase (decrease) in accounts payable	535	204	573	-332	201
Increase (decrease) in accrued expenses	42	92	-47	25	-36
Increase (decrease) in advances received	317	-49	30	269	-285
Increase (decrease) in security deposits received	2,380	-667	125	-264	-169
Other	435	1,304	585	1,887	600
Sub-Total	-43,324	25,460	18,628	28,420	23,304
Interest and dividend income received	81	85	61	71	86
Interest expenses paid	-1,226	-1,146	-2,231	-2,118	-2,068
Income taxes paid and refunded	-186	-2,852	-5,854	-4,610	-9,430
Net Cash from (Used for) Operations	**-44,654**	**21,547**	**10,603**	**21,762**	**11,892**

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Consolidated Cash Flows from Investments & Financing

(JPY million)

	FY16/2	FY17/2	FY18/2	FY19/2	FY20/2
Cash Flows from Investments					
Payments into time deposits	–	-6,100	-6	-118	-113
Proceeds from withdrawal from time deposits	–	201	–	1,060	5,033
Payments for securities investments	-671	-300	-140	-539	-2,361
Proceeds from sales of securities investments	296	6,136	–	32	111
Proceeds from redemptions of securities investments	3	–	–	–	–
Acquisitions of property, plant, and equipment	-6,628	-11,719	-4,796	-15,440	-11,244
Acquisitions of intangible assets	-21	-1	-83	-425	-562
Payments of SPC capital contributions	-9	-63	-28	-6	-2
Redemptions of SPC capital contributions	6	–	–	32	–
Payments of security deposits	-37	-5	-36	-16	-34
Acquisitions of subsidiary shares resulting in change of consolidation scope	–	-93	-2,619	–	–
Sales of subsidiary shares resulting in change of consolidation scope	–	–	2,096	–	–
Acquisitions of consolidated subsidiary	–	–	–	–	-187
Other	9	11	-32	-181	902
Net Cash from (Used for) Investments	**-7,052**	**-11,933**	**-5,645**	**-15,602**	**-10,263**
Cash Flows from Financing					
Net increase (decrease) in short-term loans	771	-1,383	-306	2,232	426
Net increase (decrease) in short-term non-recourse loans	31	532	-611	–	–
Proceeds from bond issuance	–	785	–	129	5,828
Repayment of maturing bond principal to bondholders	–	-56	-112	-112	-193
Redemption of non-recourse bonds	–	–	-100	–	–
Proceeds from long-term loans	64,866	55,674	32,660	43,062	49,957
Repayment of long-term loans	-19,192	-61,221	-13,402	-20,352	-26,475
Proceeds from long-term non-recourse loans	18,150	30,850	3,518	3,500	5,300
Repayment of long-term non-recourse loans	-2,772	-15,400	-22,366	-18,473	-17,701
Proceeds from employee exercise of stock options	153	137	110	143	95
Share buyback	–	–	-2,999	-2,999	-2,999
Proceeds from minority interests	2,000	–	–	90	–
Payments to minority interests	–	-2,000	–	–	-1,276
Sales of subsidiary shares resulting in no change of consolidation scope	–	–	–	100	–
Dividends paid to minority interests	-43	-39	–	–	-8
Dividends paid	-646	-1,501	-2,513	-2,972	-3,416
Net Cash from (Used for) Financing	**63,318**	**6,377**	**-6,124**	**4,346**	**9,537**

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Ichigo 2030: Ichigo as a Sustainable Infrastructure Company

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Go for Growth

Grow & Expand Ichigo's Core Businesses into New Areas, Creating New Earnings Streams and Increasing Both Earnings and Earnings Stability

Sustainability

Sustainability is integral to the health and development of people, society, and the environment.

Ichigo's current core business of preserving and improving real estate is a highly sustainable business model that combines high efficiency with low environmental impact.

Under Ichigo 2030, Ichigo will continue its long-standing commitment to sustainability while developing new technologies to extend the lives of key social infrastructure beyond 100 years.

Infrastructure

Ichigo has a direct and critically important role in preserving and improving the social infrastructure that supports the quality of people's lives.

By expanding its current real estate and clean energy businesses into other infrastructure areas, Ichigo will integrate the "hard" physical elements and "soft" service elements of infrastructure to serve broad client needs.

Critical to success will be unifying Ichigo's Value-Add and IT capabilities. Ichigo will work to deliver first-in-class and best-in-class solutions to drive significant value for clients and society across a diverse set of infrastructures. Being one of many is not enough. Ichigo needs to lead.

Ichigo as a Sustainable Infrastructure Company

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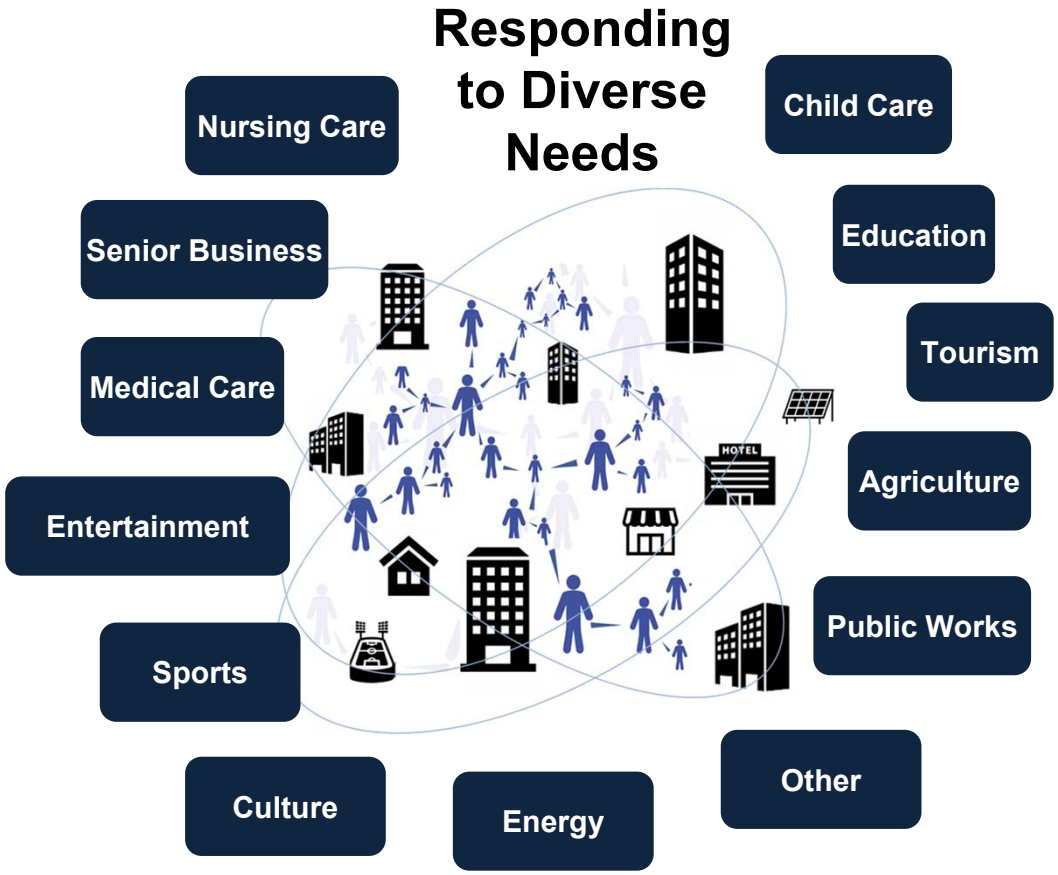
Go Beyond Real Estate to Address Broad Needs

Assets	Needs
Residential	Live
Office	Work
Retail	Buy, Dine
Hotel	Stay, Travel
Solar Power Plant	Power Lives & Businesses
Stadium	Entertainment, Recreation, & Health



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KPI Targets

1. High Capital Efficiency

- FY20/2~FY30/2 Average ROE >15%
  - ✓ Increase long-term ROE by driving higher capital efficiency and earnings stability
  - ✓ Via high ROE, grow long-term EPS as a key driver of shareholder value
- FY20/2~FY30/2 Continuous JPX-Nikkei 400 Index Inclusion
  - ✓ Target 11 consecutive years of inclusion

2. High Cash Flow Generation

- FY20/2~FY30/2 Continuous Economic Operating Cash Flow > Net Income
  - ✓ Ichigo's robust cash flows fund both growth investments and shareholder returns
  - ✓ Target 11 consecutive years of EOCF > NI

3. High Earnings Stability

- FY30/2 Stock Earnings Ratio >60%
  - ✓ Raise Stock Earnings ratio from FY19/2's 53%
  - ✓ Concurrently, increase and diversify Flow Earnings, which are currently centered on Value-Add Gains on Sales

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Note: Economic Operating Cash Flow = Cash Flows from Operations excluding net investment in Real Estate and Power Plants for Sale

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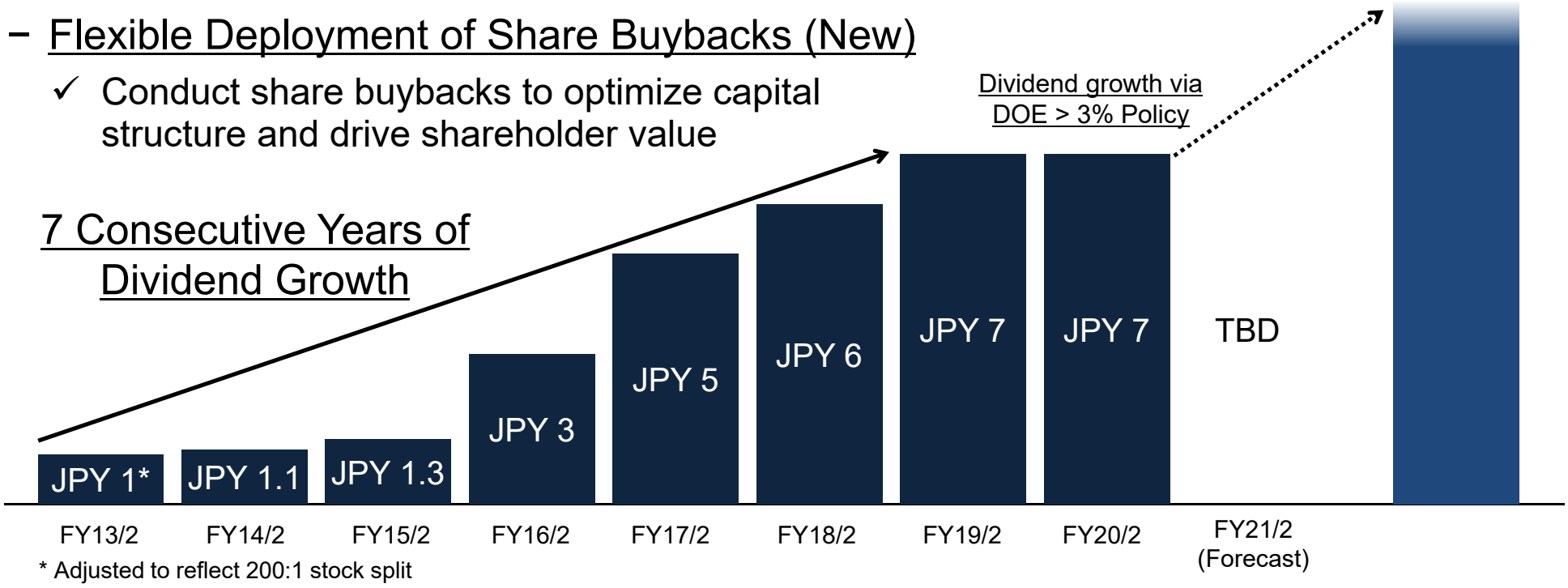
Shareholder Return Policy

Ichigo Dividend Policy: Growth, Certainty, and Stability

- Progressive Dividend Policy
  - ✓ Ichigo's progressive dividend policy underscores our commitment to driving continued organic earnings and dividend growth for shareholders. Under this policy, the dividend is maintained or raised every year (but not cut), providing shareholders with the security of a durable dividend.
- DOE (Dividend on Equity) Payout Ratio of >3%
  - ✓ Stable and growing dividend unaffected by short-term earnings volatility
- Flexible Deployment of Share Buybacks (New)
  - ✓ Conduct share buybacks to optimize capital structure and drive shareholder value



* Adjusted to reflect 200:1 stock split

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Ichigo 2030: New Initiatives

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Top Partner of J.League, Japan's Professional Soccer League

Partner with J.League to Promote Community Development, Revitalize Local Economies, and Help People Enjoy Fuller and Healthier Lives

J.League's 100-Year Vision: Promote Sports Development	Ichigo's Mission: Serve Important Social Needs
J.League's mission is to establish sports clubs rooted in local communities, cooperating with local residents, businesses, and municipalities to promote community development	Ichigo believes that companies exist to serve society, and seeks to contribute to local communities as a sustainable infrastructure company

Ichigo's role as the only real estate company that is a J.League Top Partner:

- Renovate and upgrade stadiums and help local governments find solutions for the rising costs of operating stadiums
- Work to build stronger and healthier communities in cooperation with local residents, businesses, and municipalities





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Hotel Operator Market Entry: Hakata Hotels

Hotel Operator in Kyushu/Yamaguchi Region Seeing Inbound Tourism Growth

– Started operations at 3 hotels on June 1, 2019 and 7 hotels in August

Deploying Propera, Ichigo's AI-based Hotel Revenue Management System

– Increasing employee productivity via IT systems to automate administrative tasks so employees can focus on hospitality & service

– Sales of Propera to non-Ichigo hotel operators expected to drive Ichigo non-asset revenue stream

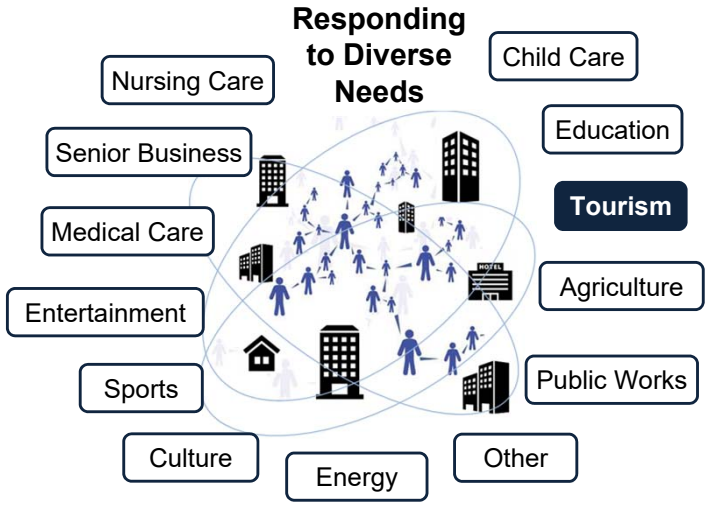




Ichigo's Hotel II Palazzo in Fukuoka was the first building outside the U.S. to win an American Institute of Architects Honor Award in 1991

HAKATA HOTELS

The Hakata Hotels logo features *hakata-ori* woven silk textiles that are a local Fukuoka craft, including the *koukou shima* weaving pattern in which a thick vertical line is surrounded by thin vertical lines. The thin lines represent children, and the thick lines parents, expressing the sense of care shown within families. The multiple colors reflect Ichigo's values of respect for diversity. The values represented in the logo are also resonant with Ichigo's philosophy of *Ichigo Ichie*, literally meaning "One lifetime, one encounter."



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Ichigo Animation: Anime + Real Estate Synergies

Production of New Anime Series VLADLOVE Written & Directed by Mamoru Oshii, with Co-Director Junji Nishimura

- Established Ichigo Animation in April 2019
- Introducing tenant collaboration initiatives that go beyond typical owner/tenant, hands-off leasing relationships
- Collaborating across multiple industries to drive new synergies with Ichigo's existing businesses

New Earnings via Anime Content Streaming & Sales of DVDs, CDs, and Goods

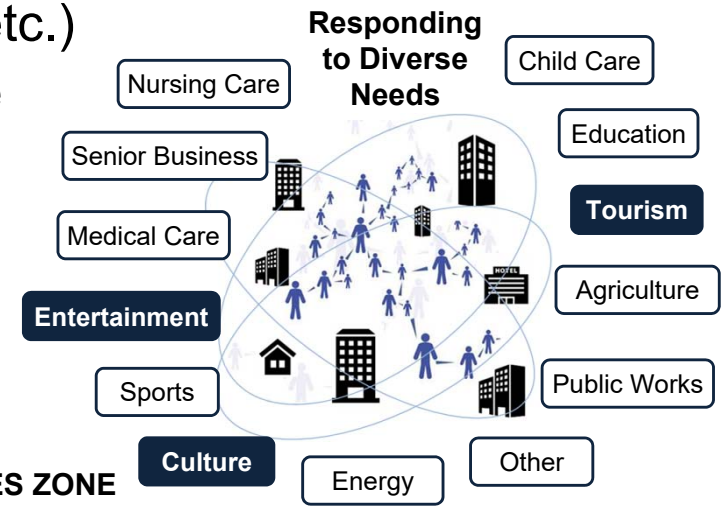
Promote Ichigo's AKIBA CULTURES ZONE (ACZ) as Global Anime Landmark

- Increase ACZ's value by integrating anime content & events (anime, dance, music, entertainment, retail, tourism, etc.)
  - ✓ Anime-related events and sales of goods at ACZ will drive both customer traffic & higher earnings

VLAD LOVE ×



AKIBA CULTURES ZONE



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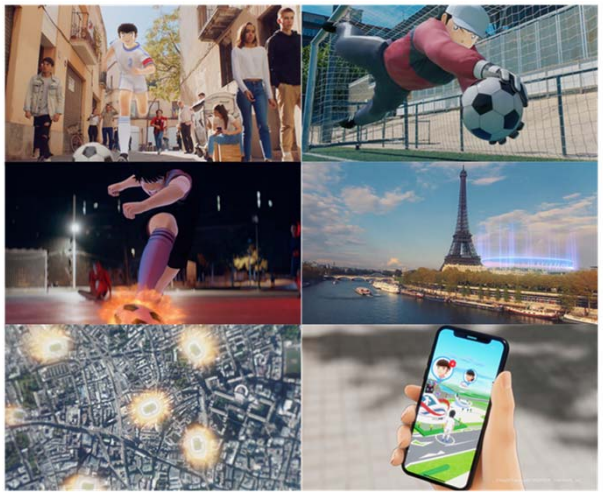
Real-World Augmented Reality (AR) Game TSUBASA+

Investing in TSUBASA+, an AR Game that Uses Smartphone GPS

Game Features	Japanese soccer manga, Captain Tsubasa ×avatars of world-class soccer players
	Integrates real-world stadiums around the world
	Users can play on-line with professional soccer players
	Scheduled for global release in 2020, starting in Europe, Asia, & South America
Business Opportunity	Sales royalties
	Build virtual stadiums at Ichigo assets to drive customer traffic & activity
	Increase value of Ichigo assets, collaborate with hotels and retailers, promote community development, & support sports



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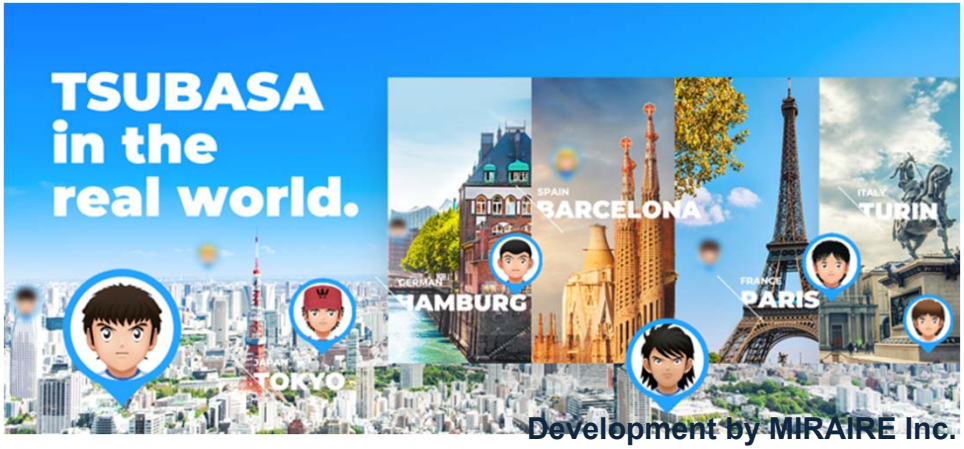
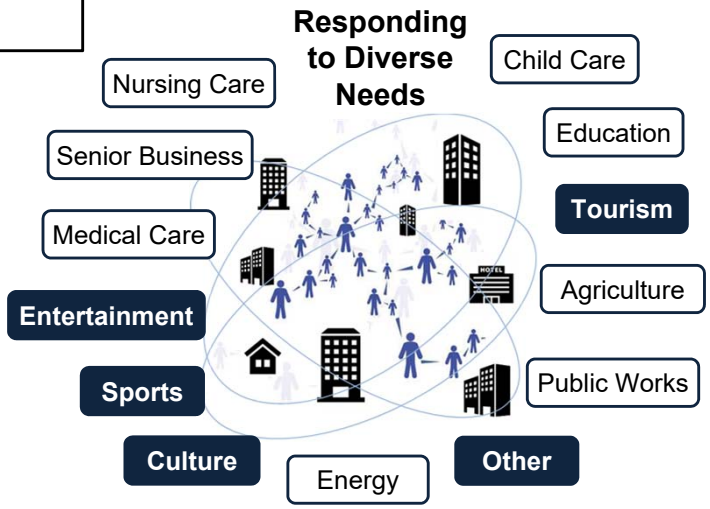


Development by MIRAIRE Inc.



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Ichigo ESG

Ichigo is Japan's first zero-carbon listed real estate company.
We are taking responsibility for our environmental footprint by offsetting our carbon emissions and investing in low-carbon technologies such as solar energy.

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